

NATIONAL WAGES COUNCIL (NWC) 2023/2024 GUIDELINES

1. The National Wages Council (“NWC”) convened from August to October 2023 to formulate wage guidelines for the period from 1 December 2023 to 30 November 2024.

Economic Performance and Outlook

2. Based on advance estimates¹, the Singapore economy grew by 0.7% on a year-on-year (y-o-y) basis in the third quarter of 2023, following the 0.5% growth in the previous quarter. This brought Gross Domestic Product (GDP) growth in the first three quarters of the year to 0.5% y-o-y, slower than the full-year growth recorded in 2022 (3.6%). Meanwhile, labour productivity, as measured by real value-added per actual hour worked, fell by 5.7% on a y-o-y basis in the first half of 2023. Nevertheless, labour productivity increased by 2.7% per annum from 2016 to 2022.

3. The labour market continued to expand in 3Q 2023 despite the weaker economic outlook. Total employment (excluding Migrant Domestic Workers) increased, with employment growth for both residents and non-residents. Retrenchments and unemployment rose, but unemployment rates remained low in September 2023. However, the pace of employment growth has slowed compared to a year ago, amid the global economic slowdown. While unemployment rates remained low due to continued labour market tightness, they have been on a slow uptrend, and may continue to rise further.

4. Unit business cost (UBC) of the manufacturing sector rose by 7.9% y-o-y in the first half of 2023, following the 10.7% increase in the second half of 2022.² This was largely due to increases in the manufacturing unit labour cost (ULC) and unit services cost over the same period, at 15.8% and 5.3% y-o-y respectively. At the overall economy level, the ULC rose by 10.1% y-o-y in the first half of 2023, extending the 8.4% increase in the second half of 2022.³ This reflected the rise in total nominal labour cost per worker amidst the tight labour market and decline in labour productivity.

¹ The advance GDP estimates for the third quarter of 2023 are computed largely from data in the first two months of the quarter (i.e., July and August 2023). They are subject to revision when more comprehensive data become available.

² From 2016 to 2022, the UBC of the manufacturing sector fell by 2.8% per annum.

³ From 2016 to 2022, the ULC of the overall economy rose by 0.8% per annum.

5. The Consumer Price Index (CPI) - All Items inflation and MAS Core Inflation (which excludes the costs of accommodation and private road transport) averaged 5.1% and 4.4% y-o-y respectively in the first three quarters of 2023, compared to the 6.1% and 4.1% recorded in 2022. After adjusting for inflation, mean real income declined by 3.7%^{P4} on a y-o-y basis in the first half of 2023. Core inflation is expected to continue its moderating trend in the fourth quarter of 2023 due to external and domestic factors. Externally, the easing of supply chain frictions, weak global demand and the stronger Singapore dollar have resulted in a moderation in imported inflation for Singapore. Domestically, ULC is expected to rise at a slower pace as tightness in the labour market eases, while the pass-through of business costs to consumer prices is likely to moderate amidst the slowdown in economic activity. For 2023 as a whole, CPI-All Items inflation and MAS Core Inflation are projected to average around 5.0% and around 4.0% respectively.

6. The Ministry of Trade and Industry (“MTI”) projects that the Singapore economy will expand by 0.5% to 1.5% in 2023. GDP growth is expected to be supported by the recovery in air travel and inbound tourism but weighed down by weak external demand and restrictive global financial conditions. Looking ahead to 2024, MTI expects Singapore’s GDP growth to pick up modestly from the low base this year. However, downside risks in the global economy remain. These include more persistent-than-expected inflation in the advanced economies, as well as escalations in the Israel-Hamas conflict, the war in Ukraine and geopolitical tensions among major global powers. Given the weak external environment and modest economic outlook, labour demand could ease further and be uneven across industries.

Wage Increases Should be Fair and Sustainable, and Based on the Flexible Wage System (FWS)

7. The NWC affirms that wage growth should be in line with productivity growth. Taking into account the sustained productivity growth over the longer term, employers should ensure that wages continue to reflect the increased labour productivity. Therefore, the NWC encourages employers to reward employees with wage increases that are fair and sustainable: built-in wage increases should be given in line with firms’ business prospects, while

^P Preliminary.

⁴ The first half of 2023 data for income is based on mean gross monthly income (including employer CPF and excluding bonuses) of full-time employed residents, excluding full-time national servicemen.

variable payments should reflect firms' performance and workers' contributions. At the same time, the uncertainties ahead continue to underscore the need for resilience and flexibility in wage structures. The NWC therefore also calls on all employers who have not yet done so to implement the FWS. Within this context, the NWC sets out the following wage guidelines for all employers:

- a. Employers who have done well and have positive business prospects should reward their employees with built-in wage increases and variable payments commensurate with the employers' performance and employees' contributions.**
- b. Employers who have done well but face uncertain business prospects may exercise moderation in built-in wage increases but should still reward employees with variable payments commensurate with the employers' performance and employees' contributions.**
- c. Employers who have not done well may exercise wage restraint, with management leading by example. These employers should make greater efforts to improve business processes and productivity, especially by investing in upskilling their employees. Employers who have not done well but face positive business prospects may also consider setting out future variable payments that are linked to appropriate business indicators.**

8. The NWC notes that the CPF monthly salary ceiling will be increased from \$6,000 to \$8,000 from 2023 to 2026 to keep pace with rising salaries. This will be done in phases to allow employers and employees to adjust to the changes, and the first increase from \$6,000 to \$6,300 has been implemented from 1 September 2023.⁵ Employer contribution rates to older workers' CPF will also increase by 0.5%-points on 1 January 2024, and the Government will extend the CPF Transition Offset to offset part of employers' cost increases arising from the increase to older workers' CPF contribution rates. Employers should take these into account when considering the quantum of wage increases.

⁵ The CPF monthly salary ceiling will increase to \$6,800 on 1 January 2024, \$7,400 on 1 January 2025, and \$8,000 on 1 January 2026.

9. The adoption of the FWS will help employers in implementing the wage guidelines above, by making full use of variable wage components. Employers who have not yet adopted the FWS, or who need to build up the variable wage components to recommended levels⁶, should put wage increases into variable wage components, and transfer part of fixed wages to variable wage components as needed. The FWS enables employers to make quick adjustments during periods of economic uncertainty to sustain their businesses. At the same time, it will provide greater job security for employees as companies can cut costs rather than cut jobs, and allow wages to be more quickly restored in tandem with business recovery.

- a. Employers can refer to the FWS Guidebook, which can be accessed at <https://go.gov.sg/fwsguidebook>, for more information.
- b. Employers who need advice and support on implementing the FWS may approach the National Trades Union Congress (“NTUC”) and its affiliated unions, the Singapore National Employers Federation (“SNEF”), and the Tripartite Alliance for Fair and Progressive Employment Practices (“TAFEP”). The NWC also calls on trade associations and chambers and unions to encourage and support their members to adopt the FWS.

Helping Employees Cope with Higher Costs of Living

10. The NWC notes that measures by the Government, such as enhancements to the permanent GST Voucher (GSTV) scheme, and the Assurance Package (AP) in Budget 2023, will help all employees, especially lower-wage workers (LWWs), offset the higher costs of living this year. To further help our employees cope, employers should consider giving a one-off special lump sum payment to employees, with heavier weightage for lower to middle income employees. This should be by mutual agreement between management and the union for unionised companies.

⁶ The variable components should comprise 30% of the basic wage package on an annual basis (10% for the Monthly Variable Component and 20% for the Annual Variable Component, inclusive of the Annual Wage Supplement) for rank-and-file employees, 40% for middle management and 50% for senior management.

Pressing on with Sustained Wage Growth for LWWs

11. We must press on with the national effort to uplift LWWs so that our social compact remains strong and no worker is left behind even as Singapore progresses. In October 2020, the Tripartite Workgroup on Lower-Wage Workers (TWG-LWW) recommended a renewed Progressive Wage strategy to uplift our LWWs over this decade, in a way that maximises their employment outcomes, and is also sustainable for businesses. Since then, all Progressive Wage moves recommended by the TWG-LWW have come into effect.⁷ Collectively, Progressive Wage moves now benefit many more LWWs, with up to 9 in 10 full-time LWWs covered under a Progressive Wage Model (PWM), the enhanced Local Qualifying Salary requirement, or the Progressive Wage Mark. To support employers as they raise the wages of LWWs, the Government co-funds wage increases for LWWs through the five-year Progressive Wage Credit Scheme (PWCS)⁸, which was recently enhanced in February 2023 with a \$2.4 billion top-up. The scheme will provide transitional support to businesses in the near term. It will also give employers time to invest in upskilling employees and improve firm-level productivity so that the wage increases are sustainable in the long term.

12. Wage Guidelines for LWWs. The NWC 2022/2023 guidelines recommended an annual range of wage growth for LWWs, with a minimum dollar quantum increase.⁹ These guidelines apply to all LWWs. They also serve as a reference for Progressive Wage Model (PWM) Tripartite Clusters in setting wage requirements for their respective sectors.

13. This year, taking into account the uncertain global economic outlook, the NWC recommends the following:

- a. Employers who have done well and have positive business prospects should provide their LWWs with a built-in wage increase at the upper bound of 5.5-7.5% of gross monthly**

⁷ The first set of Progressive Wage moves was implemented in September 2022 – it consists of the new Local Qualifying Salary requirement, the Retail Progressive Wage Model (PWM) and the extension of the PWM to in-house cleaners, security officers, and landscape workers. The second set of moves was implemented from March 2023 – it consists of the Food Services PWM and the Occupational Progressive Wages for Administrators and Drivers. Finally, the Waste Management PWM was implemented in July 2023.

⁸ For 2023, the scheme will co-fund wage increases for resident LWWs by up to 75%. The average gross monthly wage increase must be at least \$100 to be eligible for the co-funding.

⁹ The minimum dollar quantum increase ensures that the lowest-paid LWWs receive a meaningful increment.

wage¹⁰, or a wage increase of at least \$85-\$105, whichever is higher.

- b. Employers who have done well but face uncertain prospects should provide their LWWs with a built-in wage increase at the lower to middle bound of 5.5-7.5% of gross monthly wage, or a wage increase of at least \$85-\$105, whichever is higher.**

14. The NWC recognises that some employers continue to face economic difficulties, and thus recommends that:

- a. Employers who have not done well should provide their LWWs with a built-in wage increase at the lower bound of 5.5-7.5% of gross monthly wage. If business prospects subsequently improve, employers should consider further wage increases.**

15. The above wage guidelines for LWWs will apply to employees who are earning a gross monthly wage of up to \$2,500.¹¹ This threshold corresponds approximately to the 20th percentile wage level of full-time employed residents and ensures that employers consider meaningful wage increases for all LWWs. In addition to the above, the NWC recognises that amongst LWWs, some earn comparatively less. In line with the TWG-LWW's recommendation to aim for higher wage growth for lower-paid LWWs, the NWC calls on employers to provide higher percentage wage increases for LWWs who are earning comparatively lower wages. In implementing these wage increases, employers should ensure sustained basic wage growth for their employees.

16. Occupational Progressive Wages (OPW). The TWG-LWW had earlier announced the introduction of OPW for resident Administrators and Drivers from March 2023, and set the OPW wage requirements for March 2023 to

¹⁰ The gross monthly wage includes the basic monthly wage (comprising the monthly fixed component and the monthly variable component), and gross wage components such as allowances (including travel, food, housing), productivity incentive payments, and overtime payments, but excludes Annual Wage Supplement and bonuses (which are usually paid on an annual basis). Gross monthly wage includes employee CPF contribution, but excludes employer CPF contributions.

¹¹ For part-time employees, the NWC's recommendation on the percentage range of wage growth for LWWs, but not the minimum dollar quantum, will apply.

February 2024. This year, the NWC has recommended the OPW wage requirements for 1 July 2024 to 30 June 2026.¹²

17. In line with the TWG-LWW's recommendations, the NWC has set wage increases that will help OPW workers narrow the wage gap with the median, while bearing in mind the uncertain economic conditions ahead (see [Table 1](#)). The recommendations support meaningful uplifting of LWWs in OPW jobs:

- a. **For Administrative Assistants and Administrative Executives**, there is a one-off adjustment of wage requirements in 2024 to account for the fact that 2023 wage requirements were set by TWG-LWW in advance – actual market wages in 2023 have already increased since the prevailing wage requirements were set by TWG-LWW back in 2021.¹³ For Administrative Supervisors, the increase is more moderate as the wage requirement is already above the 20th percentile wage level, which was approximately \$2,500 in 2022. The higher 2024-2025 Administrator OPW wage levels apply to about 48,600 full-time resident LWWs¹⁴ in firms that employ foreign workers. Of these, about 43,500 were earning below the stipulated 2024 OPW wage requirement in 2022, and can expect to see a wage increase from 1 July 2024.
- b. **For General Drivers and Specialised Drivers**, NWC recognises that drivers' wages typically comprise more variable, performance-based wage components (e.g. trip incentives). The 2024-2025 wage levels are intended to support good wage growth while allowing variable wage components to be retained within the wage structure, to mitigate impact on firms' operational and manpower planning, as well as workers' livelihoods. The higher 2024-2025 Driver OPW wage levels apply to about 15,400 full-time resident LWWs in firms that employ foreign workers. Of these, about 8,400 were earning

¹² Existing OPW requirements (as implemented from 1 March 2023) will continue to apply up to 30 June 2024.

¹³ To illustrate, the 25th percentile of monthly gross wage (excluding employer's CPF contribution) of full-time resident Administrative Assistants and Administrative Executives are already \$1,590 and \$2,330 respectively in June 2022 – higher than the prevailing 2023 PWM requirements of \$1,500 and \$2,000 respectively. Source: Occupational Wage Survey, Manpower Research & Statistics Department, MOM.

¹⁴ Refers to full-time resident employees earning a gross monthly income from work (excluding employer's CPF contributions) up to and including the 20th percentile income level of full-time employed residents (excluding employer CPF contributions), which was \$2,492 in June 2022. Source: Comprehensive Labour Force Survey and Administrative Records, Manpower Research and Statistics Department, MOM.

below the stipulated 2024 OPW wage requirement in 2022, and can expect to see a wage increase from 1 July 2024.

Table 1: PWM Baseline Gross Wage Requirements for Full-Time Administrator and Driver OPW Employees¹

OPW Job Level	PWM Baseline Gross Wage Requirements		
	From 1 March 2023 [Current]	From 1 July 2024 [New]	From 1 July 2025 [New]
Administrative Assistant	\$1,500	\$1,800	\$1,980
Administrative Executive	\$2,000	\$2,390	\$2,580
Administrative Supervisor	\$2,800	\$2,980	\$3,160
General Driver	\$1,750	\$1,970	\$2,190
Specialised Driver	\$1,850	\$2,085	\$2,320

[1] Applies to Singapore Citizen and Permanent Resident full-time employees (i.e., contractual working hours of 35-44 hours a week, based on regular contractual working hours), assuming no overtime worked. Please refer to Annex A for details on part-time and overtime requirements.

18. The higher 2024-2025 OPW wage levels will apply to about 64,000 LWWs¹⁵, who are full-time resident administrators and drivers in firms that employ foreign workers. In addition to these wage levels, which are for full-time regular contractual working hours (i.e. 35-44 hours a week), the NWC has endorsed additional overtime wage requirements.¹⁶

19. Training remains key to improving productivity and ensuring sustainable wage increases. The NWC thus encourages both LWWs and their employers to continue tapping on the resources and programmes implemented by the Government and tripartite partners, to upskill and implement productivity measures.

¹⁵ Refers to full-time resident employees earning a gross monthly income from work [excluding employer Central Provident Fund (CPF) contributions] up to and including the 20th percentile income level of full-time employed residents (excluding employer CPF contributions), which was \$2,492 in June 2022. Source: Comprehensive Labour Force Survey and Administrative Records, Manpower Research and Statistics Department, MOM.

¹⁶ For workers who are not covered by Part 4 of the Employment Act, the OPW OT gross wage requirements do not apply.

Pressing on with Transforming Jobs and Upskilling Workforce

20. To ensure that wage growth is sustainable and continues to be supported by productivity growth, employers and employees should press on with business transformation and training. This is even more urgent given the economic uncertainty ahead, which will require both employers and employees to be agile and resilient in order to adapt to the changing environment and seize new opportunities.

21. The NWC is encouraged by the increase in the proportion of employers that provided structured training to employees from 57.1% in 2021 to 76.5% in 2022. The proportion of employees receiving structured training also increased from 45.4% in 2021 to 52.8% in 2022.¹⁷ However, there is scope for employers to do more for employees' training. Therefore, the NWC calls on employers and employees to take decisive steps to transform jobs and invest in upskilling and reskilling the workforce, with the support of the Government, trade associations and chambers, and unions.

22. The NWC recommends that employers do the following:

- a. **Upskill employees for future jobs.** Employers can leverage training¹⁸ by SSG-supported providers, and tap on Government subsidies to reskill and upskill employees, e.g., course fee subsidies between 50% and 90%¹⁹, absentee payroll, and Workforce Singapore's Career Conversion Programmes which provide up to 90% of monthly salary²⁰ for training duration. Employers can also tap on Government funding for enterprise and workforce transformation. The SkillsFuture Enterprise Credit (SFEC) also provides eligible enterprises with a \$10,000 credit to do so. As of 30 June 2023, only about one-third of eligible employers have utilised their SFEC. There is room for more companies to tap on this grant, in particular Micro, Small and Medium Enterprises (MSMEs). Employers are also encouraged to adopt a proactive approach to reskill and upskill existing employees to prepare them

¹⁷ Data on training incidence pertain to private sector establishments each with at least 25 employees. Source: Employer Supported Training Survey, Manpower Research & Statistics Department, MOM.

¹⁸ Employers may reference the Enterprise Portal for Jobs and Skills at <https://www.gobusiness.gov.sg/enterprisejobskills/>

¹⁹ SMEs can receive up to 90% course fee funding support for courses supported by SkillsFuture Singapore.

²⁰ Funding caps may apply.

for changes in job functions, and provide support for employees themselves to initiate training.

- b. Redesign jobs to increase productivity.** Employers can work with NTUC to establish Company Training Committees (“CTCs”).²¹ The CTCs have helped companies to drive business transformation to increase productivity and implement training plans. The CTCs also allow companies to tap into the wider NTUC training and placement ecosystem, which includes NTUC’s e2i and LearningHub. The Government has also set aside \$70 million for the NTUC CTC Grant which employers can tap on to implement their transformation plans. Workforce Singapore (WSG) also offers the Support for Job Redesign under Productivity Solutions Grant (PSG-JR) and sectoral Job Redesign Initiatives for various sectors, which employers can tap on to increase workforce productivity and the attractiveness of their jobs.

- c. Build up capability to train employees.** Employers can tap on capability building programmes offered by the National Centre of Excellence for Workplace Learning (NACE)²² to enhance workplace learning, which cater in particular to Small and Medium Enterprises (SMEs). SSG and NACE have also developed the Workplace Skills Recognition (WPSR) programme to enable enterprises to help workers gain formal recognition for skills trained at the workplace. Employers can also leverage resources and support offered by SSG’s partners, including SkillsFuture Queen Bee²³ for sector-specific skills development programmes, Skills Profiling for SMEs²⁴, and Skills Development Partners (SDPs) to support SMEs in their skills needs, in their respective sectors. To aggregate manpower and skills demand, activate supply of training, and match skilled workers to jobs, SSG has also launched the Jobs-

²¹ Launched in 2019, CTCs help employees attain better work prospects by putting in place a systemic process for employers to develop forward-looking workforce plans aligned to their organisational strategies. CTCs also serve as a platform to bring together relevant stakeholders and resources to facilitate the implementation of these workforce plans. There are over 1000 CTCs to-date.

²² Employers may reference information on NACE at <https://nace.edu.sg>

²³ Employers may reference the SkillsFuture Queen Bee Networks at <https://www.gobusiness.gov.sg/enterprisejobskills/programmes-and-initiatives/upgrade-skills/skillsfuture-queen-bee-networks/>

²⁴ Employers may reference the Skills Profiling for SMEs at <https://www.gobusiness.gov.sg/enterprisejobskills/programmes-and-initiatives/develop-human-capital/skills-profiling-for-smes/>

Skills Integrator (JSIT) initiative.²⁵ JSITs will work with industry, training and employment facilitation partners to optimise training provision and job matching services for companies and individuals.

d. Strengthen HR capabilities to support transformation. The NWC recommends that employers encourage their HR practitioners to upskill and take the certification by the Institute for Human Resource Professionals (IHRP). The certification, which will be approved for SkillsFuture Credit usage from end-2023, recognises the experience and competencies of HR professionals and prepares them with the skills to implement responsible employment practices in their companies.

23. The NWC calls on employers to recognise and support the acquisition and demonstration of skills in decisions affecting hiring and career advancements. This can widen their access to talent and increase their competitiveness.

24. Employees should also take a proactive approach towards training to ensure currency of skills by staying abreast of skills needs in their sector and the broader economy. Under the SkillsFuture Mid-Career Enhanced Subsidy, individuals aged 40 and above can enjoy higher SkillsFuture course fee subsidies of up to 90%²⁶ for SSG-supported courses. Employers and employees can also refer to SSG's quarterly *Jobs-Skills Insights* publications, as well as the annual *Skills Demand for the Future Economy* report to learn about emerging trends, growth areas and in-demand skills.

Coverage and Implementation of Recommendations

25. These guidelines apply to all employees²⁷ – professionals, managers, executives, technicians, rank-and-file, in unionised and non-unionised firms, in both the public and private sectors. They also apply to re-employed employees.

26. When implementing the recommendations, employers should share relevant information, such as company wage information, business performance and prospects, with unions, to facilitate wage negotiation.

²⁵ Employers may reference information on the Jobs-Skills Integrator at <https://www.skillsfuture.gov.sg/jsit>

²⁶ Funding caps may apply.

²⁷ This includes full-time and part-time employees.

Employers who encounter difficulties in implementing the guidelines are encouraged to work with SNEF, trade associations and chambers and unions to address the issues. SMEs may also approach the three ethnic chambers²⁸ in particular for guidance in implementing the guidelines.

Conclusion

27. The NWC is confident that our productivity and training efforts will continue to enable sustainable wage growth and a better standard of living for Singaporeans. Our efforts to uplift LWWs will also remain important as we build a strong social compact and an inclusive Singapore that leaves no one behind. The NWC urges all employers, unions, and the Government to continue working together to secure a brighter future for all.

²⁸ The ethnic chambers are the Singapore Chinese Chamber of Commerce and Industry, Singapore Malay Chamber of Commerce and Industry, and Singapore Indian Chamber of Commerce and Industry.

Annex A: Occupational Progressive Wages (OPW)

Wage Requirements for Mar 2024 – Feb 2026

Job Level	PWM Baseline Gross Wage Requirement	From 1 July 2024	From 1 July 2025
Administrator OPW			
Administrative Assistant	Full-Time Monthly Gross Wage (35-44 hours per week)	\$1,800/month	\$1,980/month
	Part-Time Hourly Gross Wage	\$9.44/hr	\$10.38/hr
Administrative Executive	Full-Time Monthly Gross Wage (35-44 hours per week)	\$2,390/month	\$2,580/month
	Part-Time Hourly Gross Wage	\$12.53/hr	\$13.53/hr
Administrative Supervisor	Full-Time Monthly Gross Wage²⁹ (35-44 hours per week)	\$2,980/month	\$3,160/month
	Part-Time Hourly Gross Wage	\$15.63/hr	\$16.57/hr
Driver OPW			
General Driver	Full-Time Monthly Gross Wage (35-44 hours per week)	\$1,970/month	\$2,190/month
	Part-Time Hourly Gross Wage	\$10.33/hr	\$11.49/hr
Specialised Driver	Full-Time Monthly Gross Wage (35-44 hours per week)	\$2,085/month	\$2,320/month
	Part-Time Hourly Gross Wage	\$10.94/hr	\$12.17/hr

Notes:

1. Classification of OPW Employees. Employers may refer to MOM’s website for the detailed job descriptions of roles that are covered under OPW.³⁰ Employers should classify and pay their employees the applicable Progressive Wage for the job role that best fits the employee’s job scope, regardless of the job title of the employee. For an employee whose job scope straddles more than one job description, employers should classify the worker

²⁹ Administrative Supervisors are not subject to additional PWM gross wage requirements for overtime hours, as most of such employees will exceed the \$2,600 wage threshold and will not be covered by Part 4 of the Employment Act.

³⁰ See <https://www.mom.gov.sg/employment-practices/progressive-wage-model/expansion-of-progressive-wage-approach-and-coverage>.

under OPW job role that the employee spends majority of his or her time, and pay the employee the applicable Progressive Wage for that job role.

2. Components of PWM Baseline Gross Wage Requirement. The PWM baseline gross wage requirement for full-time employees (i.e., contractual working hours of 35-44 hours per week) excludes wages paid for overtime work, but includes the basic wage and gross wage components such as allowances (e.g., travel, food, housing) and productivity incentive payments. It also excludes bonuses (e.g., Annual Wage Supplement), stock options, reimbursement of special expenses incurred in the course of employment and payments-in-kind, as well as employer CPF contributions. It is before the deduction of employee CPF contributions.

3. Overtime (OT) Payment. For full-time employees working overtime and are covered by Part 4 of the Employment Act (EA), employers will need to comply with the EA requirement for OT rate of pay, which is at least 1.5 times the basic rate of pay. **In addition to the EA requirement, employers will also need to comply with the OPW OT gross wage requirement, which the NWC has set to safeguard the interests of full-time workers for OT work.**

- a. For workers covered by Part 4 of the EA, the PWM Gross Wage Requirement will increase with every hour of OT worked beyond 44 working hours/week.³¹ Please refer to Tables 1-4, which set out the Total PWM Gross Wage Requirement for each OPW job level (ranging from 0 to 72 hours of OT worked per month).
- b. **Employers are required to pay the higher of either the EA requirement for OT rate of pay, or the Total PWM Gross Wage Requirement.**

4. Hourly Gross Wage Requirement for Part-Time Employees. Part-time workers shall be paid based on pro-rated PWM gross wages. The formula to compute the PWM hourly gross wage for part-timers (who work less than 35 hours a week) is as follows:

$$\text{Hourly Gross Wage} = \frac{\text{Full-Time Monthly Gross Wage (assuming no OT)} \times 12 \text{ months}}{52 \text{ weeks} \times 44 \text{ hours}}$$

5. Enforcement. OPW wage requirements will be enforced through employers' eligibility for Work Passes. Employers who hire foreign workers on mainstream Work Passes (i.e., Work Permit, S Pass, Employment Pass) must comply with the stipulated OPW requirements, as well as any other applicable PWM or LQS requirements, in order to apply for new Work Passes (e.g., Work Permit, S Pass, Employment Pass) or renew existing Work Passes.

³¹ For workers who are not covered by Part 4 of the EA, the OPW OT gross wage requirements do not apply.

Please refer to Tables 1-4 for the Total PWM Gross Wage Requirement for each OPW job level.

Part 4 of the EA stipulates that the maximum number OT hours allowed in a given month is 72 hours. For compliance with the Total PWM Gross Wage Requirement, overtime hours worked in a month will be rounded down to the nearest whole number. For example, for an employee who works 2.8 OT hours in the month, the employer is to adhere to the Total PWM Gross Wage Requirement for 2 OT hours that month.

In addition, Part 4 of the EA for overtime rates of pay to be at least 1.5 times the basic rate of pay continues to apply. Employers are required to pay the higher of either the EA requirement for OT rate of pay, or the Total PWM Gross Wage Requirement.

<u>Table 1</u>		
Total PWM Gross Wage Requirement for OPW Job Level: <u>Administrative Assistant</u>		
Overtime Hours in a Month	1 July 2024 to 30 June 2025	1 July 2025 to 30 June 2026
0 (Baseline)	\$1,800	\$1,980
1	\$1,813	\$1,994
2	\$1,826	\$2,009
3	\$1,839	\$2,023
4	\$1,852	\$2,038
5	\$1,866	\$2,052
6	\$1,879	\$2,067
7	\$1,892	\$2,081
8	\$1,905	\$2,096
9	\$1,918	\$2,110
10	\$1,932	\$2,125
11	\$1,945	\$2,139
12	\$1,958	\$2,154
13	\$1,971	\$2,168
14	\$1,985	\$2,183
15	\$1,998	\$2,197
16	\$2,011	\$2,212
17	\$2,024	\$2,227
18	\$2,037	\$2,241

19	\$2,051	\$2,256
20	\$2,064	\$2,270
21	\$2,077	\$2,285
22	\$2,090	\$2,299
23	\$2,104	\$2,314
24	\$2,117	\$2,328
25	\$2,130	\$2,343
26	\$2,143	\$2,357
27	\$2,156	\$2,372
28	\$2,170	\$2,386
29	\$2,183	\$2,401
30	\$2,196	\$2,415
31	\$2,209	\$2,430
32	\$2,223	\$2,444
33	\$2,236	\$2,459
34	\$2,249	\$2,474
35	\$2,262	\$2,488
36	\$2,275	\$2,503
37	\$2,289	\$2,517
38	\$2,302	\$2,532
39	\$2,315	\$2,546
40	\$2,328	\$2,561
41	\$2,342	\$2,575
42	\$2,355	\$2,590
43	\$2,368	\$2,604
44	\$2,381	\$2,619
45	\$2,394	\$2,633
46	\$2,408	\$2,648
47	\$2,421	\$2,662
48	\$2,434	\$2,677
49	\$2,447	\$2,691
50	\$2,461	\$2,706
51	\$2,474	\$2,721
52	\$2,487	\$2,735
53	\$2,500	\$2,750
54	\$2,513	\$2,764
55	\$2,527	\$2,779

56	\$2,540	\$2,793
57	\$2,553	\$2,808
58	\$2,566	\$2,822
59	\$2,579	\$2,837
60	\$2,593	\$2,851
61	\$2,606	\$2,866
62	\$2,619	\$2,880
63	\$2,632	\$2,895
64	\$2,646	\$2,909
65	\$2,659	\$2,924
66	\$2,672	\$2,938
67	\$2,685	\$2,953
68	\$2,698	\$2,968
69	\$2,712	\$2,982
70	\$2,725	\$2,997
71	\$2,738	\$3,011
72	\$2,751	\$3,026

Table 2

**Total PWM Gross Wage Requirement for OPW Job Level:
Administrative Executive**

Overtime Hours in a Month	1 July 2024 to 30 June 2025	1 July 2025 to 30 June 2026
0 (Baseline)	\$2,390	\$2,580
1	\$2,407	\$2,598
2	\$2,425	\$2,617
3	\$2,442	\$2,636
4	\$2,460	\$2,655
5	\$2,477	\$2,674
6	\$2,495	\$2,693
7	\$2,512	\$2,712
8	\$2,530	\$2,731
9	\$2,547	\$2,750
10	\$2,565	\$2,769
11	\$2,582	\$2,788
12	\$2,600	\$2,807
13	\$2,618	\$2,826
14	\$2,635	\$2,845
15	\$2,653	\$2,864
16	\$2,670	\$2,883
17	\$2,688	\$2,901
18	\$2,705	\$2,920
19	\$2,723	\$2,939
20	\$2,740	\$2,958
21	\$2,758	\$2,977
22	\$2,775	\$2,996
23	\$2,793	\$3,015
24	\$2,810	\$3,034
25	\$2,828	\$3,053
26	\$2,846	\$3,072
27	\$2,863	\$3,091
28	\$2,881	\$3,110
29	\$2,898	\$3,129

30	\$2,916	\$3,148
31	\$2,933	\$3,167
32	\$2,951	\$3,186
33	\$2,968	\$3,205
34	\$2,986	\$3,223
35	\$3,003	\$3,242
36	\$3,021	\$3,261
37	\$3,038	\$3,280
38	\$3,056	\$3,299
39	\$3,074	\$3,318
40	\$3,091	\$3,337
41	\$3,109	\$3,356
42	\$3,126	\$3,375
43	\$3,144	\$3,394
44	\$3,161	\$3,413
45	\$3,179	\$3,432
46	\$3,196	\$3,451
47	\$3,214	\$3,470
48	\$3,231	\$3,489
49	\$3,249	\$3,508
50	\$3,267	\$3,527
51	\$3,284	\$3,545
52	\$3,302	\$3,564
53	\$3,319	\$3,583
54	\$3,337	\$3,602
55	\$3,354	\$3,621
56	\$3,372	\$3,640
57	\$3,389	\$3,659
58	\$3,407	\$3,678
59	\$3,424	\$3,697
60	\$3,442	\$3,716
61	\$3,459	\$3,735
62	\$3,477	\$3,754
63	\$3,495	\$3,773
64	\$3,512	\$3,792
65	\$3,530	\$3,811
66	\$3,547	\$3,830

67	\$3,565	\$3,848
68	\$3,582	\$3,867
69	\$3,600	\$3,886
70	\$3,617	\$3,905
71	\$3,635	\$3,924
72	\$3,652	\$3,943

Table 3

**Total PWM Gross Wage Requirement for OPW Job Level:
General Driver**

Overtime Hours in a Month	1 July 2024 to 30 June 2025	1 July 2025 to 30 June 2026
0 (Baseline)	\$1,970	\$2,190
1	\$1,984	\$2,206
2	\$1,998	\$2,222
3	\$2,013	\$2,238
4	\$2,027	\$2,254
5	\$2,042	\$2,270
6	\$2,056	\$2,286
7	\$2,071	\$2,302
8	\$2,085	\$2,318
9	\$2,100	\$2,334
10	\$2,114	\$2,350
11	\$2,129	\$2,366
12	\$2,143	\$2,383
13	\$2,157	\$2,399
14	\$2,172	\$2,415
15	\$2,186	\$2,431
16	\$2,201	\$2,447
17	\$2,215	\$2,463
18	\$2,230	\$2,479
19	\$2,244	\$2,495
20	\$2,259	\$2,511
21	\$2,273	\$2,527
22	\$2,288	\$2,543
23	\$2,302	\$2,560
24	\$2,317	\$2,576
25	\$2,331	\$2,592
26	\$2,345	\$2,608
27	\$2,360	\$2,624
28	\$2,374	\$2,640
29	\$2,389	\$2,656

30	\$2,403	\$2,672
31	\$2,418	\$2,688
32	\$2,432	\$2,704
33	\$2,447	\$2,720
34	\$2,461	\$2,737
35	\$2,476	\$2,753
36	\$2,490	\$2,769
37	\$2,505	\$2,785
38	\$2,519	\$2,801
39	\$2,533	\$2,817
40	\$2,548	\$2,833
41	\$2,562	\$2,849
42	\$2,577	\$2,865
43	\$2,591	\$2,881
44	\$2,606	\$2,897
45	\$2,620	\$2,914
46	\$2,635	\$2,930
47	\$2,649	\$2,946
48	\$2,664	\$2,962
49	\$2,678	\$2,978
50	\$2,693	\$2,994
51	\$2,707	\$3,010
52	\$2,721	\$3,026
53	\$2,736	\$3,042
54	\$2,750	\$3,058
55	\$2,765	\$3,074
56	\$2,779	\$3,091
57	\$2,794	\$3,107
58	\$2,808	\$3,123
59	\$2,823	\$3,139
60	\$2,837	\$3,155
61	\$2,852	\$3,171
62	\$2,866	\$3,187
63	\$2,880	\$3,203
64	\$2,895	\$3,219
65	\$2,909	\$3,235
66	\$2,924	\$3,251

67	\$2,938	\$3,268
68	\$2,953	\$3,284
69	\$2,967	\$3,300
70	\$2,982	\$3,316
71	\$2,996	\$3,332
72	\$3,011	\$3,348

Table 4

**Total PWM Gross Wage Requirement for OPW Job Level:
Specialised Driver**

Overtime Hours in a Month	1 July 2024 to 30 June 2025	1 July 2025 to 30 June 2026
0 (Baseline)	\$2,085	\$2,320
1	\$2,099	\$2,335
2	\$2,113	\$2,351
3	\$2,127	\$2,367
4	\$2,141	\$2,383
5	\$2,156	\$2,399
6	\$2,170	\$2,414
7	\$2,184	\$2,430
8	\$2,198	\$2,446
9	\$2,212	\$2,462
10	\$2,227	\$2,478
11	\$2,241	\$2,494
12	\$2,255	\$2,509
13	\$2,269	\$2,525
14	\$2,284	\$2,541
15	\$2,298	\$2,557
16	\$2,312	\$2,573
17	\$2,326	\$2,588
18	\$2,340	\$2,604
19	\$2,355	\$2,620
20	\$2,369	\$2,636
21	\$2,383	\$2,652
22	\$2,397	\$2,668
23	\$2,412	\$2,683
24	\$2,426	\$2,699
25	\$2,440	\$2,715
26	\$2,454	\$2,731
27	\$2,468	\$2,747
28	\$2,483	\$2,762
29	\$2,497	\$2,778

30	\$2,511	\$2,794
31	\$2,525	\$2,810
32	\$2,540	\$2,826
33	\$2,554	\$2,842
34	\$2,568	\$2,857
35	\$2,582	\$2,873
36	\$2,596	\$2,889
37	\$2,611	\$2,905
38	\$2,625	\$2,921
39	\$2,639	\$2,936
40	\$2,653	\$2,952
41	\$2,668	\$2,968
42	\$2,682	\$2,984
43	\$2,696	\$3,000
44	\$2,710	\$3,016
45	\$2,724	\$3,031
46	\$2,739	\$3,047
47	\$2,753	\$3,063
48	\$2,767	\$3,079
49	\$2,781	\$3,095
50	\$2,796	\$3,111
51	\$2,810	\$3,126
52	\$2,824	\$3,142
53	\$2,838	\$3,158
54	\$2,852	\$3,174
55	\$2,867	\$3,190
56	\$2,881	\$3,205
57	\$2,895	\$3,221
58	\$2,909	\$3,237
59	\$2,923	\$3,253
60	\$2,938	\$3,269
61	\$2,952	\$3,285
62	\$2,966	\$3,300
63	\$2,980	\$3,316
64	\$2,995	\$3,332
65	\$3,009	\$3,348
66	\$3,023	\$3,364

67	\$3,037	\$3,379
68	\$3,051	\$3,395
69	\$3,066	\$3,411
70	\$3,080	\$3,427
71	\$3,094	\$3,443
72	\$3,108	\$3,459

Training requirements from March 2024

There is no change to the existing OPW training requirements, which were implemented from March 2023.

Employers are required to ensure that all resident OPW employees attain either:

- a. One Workforce Skills Qualifications (WSQ) course, with no restriction on which course can be taken; or
- b. One in-house training programme
 - An in-house training programme refers to a training programme organised by employers themselves and guided by defined training objectives, training modality, key training tasks, and training duration.
 - Where required, employers should be prepared to show supporting documentation on the in-house training programme – (i) defined training objectives, (ii) training modality, (iii) key training tasks, (iv) training duration (e.g., no. of days) – and records of specific workers undergoing the training.
 - On-the-job training can be counted towards in-house training programme requirement, as long as it fulfils the criteria set out above.

Employers are given a grace period to comply with the OPW training requirements:

- a. For existing employees, employers are given a grace period of one year from the start of the OPW implementation in March 2023 (i.e., up to 29 February 2024) to comply with the training requirement.
- b. For new hires, employers are to comply with the OPW training requirement within a grace period of six months from the new hire's date of employment.