

FACTSHEET

LOWER-WAGE WORKERS POLICY ANNOUNCEMENTS AT COS 2026

1 The Ministry of Manpower (MOM) will be updating our policies relating to lower-wage workers to:

- a. Encourage lower-wage workers to embark on more substantial reskilling and upskilling; and,
- b. Support employers to sustain wage increases for lower-wage workers, while transforming their businesses for greater productivity.

Details on the updates to our lower-wage worker policies are outlined below.

ENHANCEMENTS TO WORKFARE SKILLS SUPPORT (WSS) SCHEME

2 From 2026, lower-wage workers will receive more training support under WSS through:

- a. The launch of **WSS (Level-Up)** to support long-form training; and
- b. Enhancements to **WSS (Basic)** to better support trainees who undertake short training.

LAUNCH OF WSS (LEVEL-UP)

3 As announced at Budget 2025, eligible lower-wage workers from age 30 who undertake long-form courses will now be able to benefit from the new WSS (Level-Up) scheme. The scheme includes:

- a. **Supports training for long-form courses**
 - i. E.g. Nitec/Higher Nitec, Diplomas, Post-Diplomas, undergraduate degrees, [From Q4 2026] long-form Workforce Skills Qualifications Full Qualifications
- b. **Training Allowance for long-form training**
 - i. Full-time training: 50% of average income over the latest available 12-month period¹, with minimum allowance of \$300/month
 - ii. Part-time training: \$300/month
- c. **Coverage for multiple bouts of long-form training across career stages**

¹ Training allowance is capped at \$1,500 per month for trainees aged 30-39 (due to income ceiling of \$3,000 for WSS) and at \$3,000 per month for trainees aged 40 or older (to align with the training allowance cap for SkillsFuture Mid-Career Training Allowance).

- i. Covers up to 24 months² of long-form training done before the age of 40³, and another 24 months of long-form training from the age of 40⁴

4 Applications for **WSS (Level-Up)** opened on 9 February 2026, for training conducted from 1 March 2026 onwards.

ENHANCEMENTS TO WSS (BASIC)

5 WSS (Basic) will continue to provide support to lower-wage workers and their employers for short training. We will increase the **Training Allowance** under WSS (Basic) for self-sponsored trainees from **\$6/hr to \$10.50/hr**, to better defray their opportunity cost of undertaking training.

6 Scheme parameters will also be streamlined to reduce complexity. From 1 Jul 2026, only trainees who attain Full Qualifications will receive the Training Commitment Award of \$800 per year.⁵

Table 1. Overview of WSS (Level-Up) and (Basic)

	WSS (Level-Up)	WSS (Basic)
Supported Courses	<p>Full-time⁶ and part-time⁷</p> <ul style="list-style-type: none"> • SkillsFuture Singapore (SSG)'s full-time SkillsFuture Career Transition Programme (SCTP) • Full Qualifications (FQs) offered by the Institutes of Higher Learning (IHLs) up to the undergraduate level⁸ • [From Q4 2026] Long-form Workforce Skills Qualifications (WSQ) FQs 	<ul style="list-style-type: none"> • Courses for entry and progression in PWM sectors • Workforce Skills Qualifications (WSQ) WSQ Workplace Literacy and Numeracy courses • Other SSG-funded WSQ courses

² Both full-time and part-time training will count towards the training allowance cap of 24 months for each of the 24-month provisions. For WSS (Basic), the existing cap of 180 training hours/year will continue to apply, and it is independent of the 24-month cap for WSS (Level-Up).

³ This 24-month cap for those aged 30-39 expires once the individual turns 40.

⁴ For individuals aged 40 and over, the cap is shared between WSS (Level-Up) and the SkillsFuture Level Up Programme (SFLP) Training Allowance.

⁵ WSS (Basic) will no longer provide \$100 in TCA to trainees who complete two Statements of Attainment (SOA).

⁶ Targeted at individuals who take time off work to pursue full-time, long-form training which are generally conducted during working hours.

⁷ Targeted at employed individuals who take up part-time, long-form training which are generally scheduled after working hours.

⁸ FQs programmes covered are Nitec, Higher Nitec, Diploma, Postgraduate Diploma, and Undergraduate Degree, and includes MOE-subsidised full-time FQs offered by the Arts Institutions, up to the undergraduate level. The Arts Institutions do not currently offer part-time FQ programmes.

	<p>Part-time only</p> <ul style="list-style-type: none"> Part-time micro-credentials that can be stacked to IHL FQs up to the undergraduate level 	
<p>Training Allowance (TA) for self-sponsored employees</p>	<p>Full-time</p> <ul style="list-style-type: none"> 50% of average income over the latest available 12-month period, with a minimum payout of \$300/month <p>Part-time</p> <ul style="list-style-type: none"> \$300/month 	<p>\$6 per hour [From 1 July 2026] \$10.50 per hour</p>
<p>Training Commitment Award (TCA)</p>	N/A	<ul style="list-style-type: none"> \$800 per WSQ or Academic CET FQ⁹ [Removed from 1 July 2026] \$100 per pair of achievements (capped at \$200)
<p>Absentee Payroll for sponsoring employers</p>	N/A	<p>95% of trainee's basic hourly salary, capped at \$13 per hour</p>

ELIGIBILITY CRITERIA

- 7 To qualify for the WSS scheme, individuals must fulfil the following criteria:
- a. Singapore citizen.
 - b. At least 30 years old or older as of 31 December of the work year.
 - i. **[For WSS (Basic) only]** For Persons with Disabilities, the age criterion is 13 years old or older.
 - c. Earns an average gross monthly income¹⁰ of not more than \$3,000 for the months worked in the past 12 months.
 - d. Lives in a property with an annual value of \$21,000 and below, assessed as at 31 December of the preceding year.
 - e. Owns not more than one property.
 - f. If the individual is married:

⁹ From 1 July 2026, total TCA will be capped at \$800 per eligibility period.

¹⁰ Gross monthly income includes basic salary and additional wages such as overtime pay and bonuses.

- i. The individual and his/her spouse together own not more than one property; and
 - ii. The assessable income of the individual's spouse does not exceed \$70,000 for the preceding Year of Assessment.
- g. If the individual is a Self-Employed Person, he/she must have also declared his/her net trade income and made Medisave contributions in full.

RAISING OF THE LOCAL QUALIFYING SALARY (LQS)

8 Firms that hire foreign workers (e.g., Work Permit, S Pass or Employment Pass holders) are required to meet both of the following conditions:

- a. Firms must pay Progressive Wage Model (PWM) wages to local employees covered by the relevant Sectoral or Occupational PWMs; and
- b. Firms must pay all local employees not covered under the PWMs at least the LQS.

9 The number of local workers that are paid at least the LQS is used to determine the firm's foreign worker quota entitlement. The LQS is regularly reviewed to keep pace with wage growth, so as to uplift lower-wage workers and ensure they are not hired on token roles or salaries just to access foreign worker quota.

10 From 1 July 2026, the Government will raise the LQS from \$1,600 to \$1,800 for full-time employed local workers. This means that firms hiring foreign workers must pay full-time employed local workers at least \$1,800 per month. Part-time local workers must be paid at least \$10.50 per hour. The computation of foreign worker quotas¹¹ will correspondingly be adjusted with the new LQS:

- a. 1 local workforce count: Per local worker who is paid at least \$1,800 per month; and
- b. 0.5 local workforce count: Per local worker who is paid at least \$900 but less than \$1,800 per month.

ENHANCEMENTS TO PROGRESSIVE WAGE CREDIT SCHEME (PWCS)

11 The PWCS was introduced at Budget 2022 to provide transitional wage support for employers to adjust to the Progressive Wages moves, as well as encourage employers to voluntarily raise wages of lower-wage workers. Employers are to use this period of transitional support to invest in upskilling their employees, transform their businesses, and improve productivity. The PWCS was enhanced at Budget 2025, with 2025 and 2026 co-funding support raised from 30% to 40% and 15% to 20% respectively.

¹¹ Part-time locals earning monthly gross wages below \$900 will not be counted towards firms' quota entitlement.

INCREASE IN CO-FUNDING SUPPORT AND EXTENSION OF PWCS TO END-2028

- 12 To strengthen support for employers to uplift the wages of lower-wage employees:
- a. PWCS co-funding support will be enhanced for wage increases given in the qualifying year 2026, from 20% to 30%. The enhanced co-funding support will also apply to wage increases given in qualifying year 2025 that are sustained in 2026.
 - b. PWCS will be extended to 2028, with co-funding support of 30% in 2027 and 20% in 2028.

Refer to Table 2 for more details.

Table 2: Enhancement and Extension of PWCS

Qualifying Year (i.e., year that wage increase was given)	Payout Period	Current co-funding support	New co-funding support
2026	1Q 2027	20%	30% (+10%-pt)
2027	1Q 2028	-	30%
2028	1Q 2029	-	20%

INCREASE IN MINIMUM QUALIFYING WAGE INCREASE FROM 2027

- 13 To better target support for businesses that invest in their workers, the minimum qualifying wage increase for PWCS will be raised to \$200 for wage increases given in qualifying years 2027 and 2028. Refer to Table 3 for more details.

Table 3: Increase in Minimum Qualifying Wage Increase from 2027

Qualifying Year (i.e., year that wage increase was given)	Payout Period	Minimum Qualifying Wage Increase
2026	1Q 2027	\$100
2027	1Q 2028	\$200
2028	1Q 2029	\$200

ELIGIBILITY CRITERIA

- 14 The following conditions will apply for PWCS:
- a. Employee has average gross monthly wages of up to \$3,000, before the wage increase;

- b. Employee has average gross monthly wages of up to \$4,000, after the wage increase;
- c. Average gross monthly wage increase must be:
 - i. At least \$100 in qualifying year 2026
 - ii. At least \$200 in qualifying year 2027 and 2028; and
- d. Wage increase in each qualifying year will be co-funded for two years if the wage increase is sustained.^{12 13}

End

IMPORTANT

Government officials will NEVER ask you to transfer money or disclose banking details over a phone call. Call the 24/7 ScamShield Helpline at 1799 if you are unsure whether something is a scam.

¹² Wage increases below \$200 that qualified for PWCS in 2026 and are sustained in 2027 will continue to be co-funded in 2027.

¹³ For qualifying year 2028, wage increases will only be co-funded for one year since 2028 is the final year of the Scheme.