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## SINGAPORE'S BUDGET BOOSTS OLDER WORKERS' EMPLOYMENT

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Singapore's 2019 budget features measures aimed at boosting the employment rate of older workers, reducing service sector employers' reliance on foreign workers and deferring increased foreign worker levy rates for certain sectors.

### KEY INITIATIVES

Initiatives include the following:

- The [Special Employment Credit](#) (SEC) will be extended until 31 Dec 2020 — the scheme was due to expire in 2019. The SEC is worth up to 11% of the employees' monthly wages and is paid to employers hiring workers 55 and over. Introduced in 2011 to increase the employability of older Singaporeans, the scheme was enhanced in 2012 to provide continuing support for employers hiring older workers and persons with disabilities.
- The Tripartite Workgroup on Older Workers will study policies impacting older workers, including retirement and re-employment ages and the Central Provident Fund contribution rates. The group was established in 2018 with the aim of reviewing the retirement and re-employment age.
- Eligible employers can apply for grants (capped at SGD \$105,000 per company) under the [WorkPro scheme](#) to support flexible working arrangements and policies aimed at accommodating older workers, such as the redesign of workplaces and jobs. Established on 1 Jul 2016, WorkPro encourages employers to implement age-friendly workplaces.
- A two-step reduction in the Dependency Ratio Ceiling (DRC) applies to the services sector and the [S-Pass](#) sub-DRC. The DRC is the permitted ratio of foreigners on work permits or S-Passes to a company's total workforce. The permitted quota for the services sector will be reduced on 1 Jan 2020 to 38% from 40%, and then to 35% on 1 Jan 2021. The permitted quota for S-Pass sub DRC will be reduced on 1 Jan 2020 to 13% from 15%, and then to 10% on 1 Jan 2021. The quotas for other sectors are unchanged.
- An increase in the foreign worker [levy rates](#) for the marine shipyard and process (petroleum, petrochemicals, specialty chemicals and pharmaceutical products) sectors is delayed one year.

## RELATED RESOURCES

- [Government Budget 2019](#) (Singapore government)
- [Information on Special Employment Credit](#) (Singapore Government)
- [Information on Tripartite Committees and Initiatives](#) (Singapore government)
- [Information on WorkPro Scheme](#) (Singapore Government)
- [Information on S-Pass](#) (Singapore Government)
- [Foreign Worker Levy](#) (Singapore Government)

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