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## **SINGAPORE TO INCREASE RETIREMENT, RE-EMPLOYMENT AGES, CPF CONTRIBUTIONS**

*By Mercer's Fiona Webster and Stephanie Rosseau  
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Singapore's normal retirement age will increase to 65 years and the re-employment age to 70 by 2030, the prime minister [confirmed](#) in a speech at Singapore's National Day Rally. Older employees' contribution rate to the Central Provident Fund (CPF) also will increase, but the CPF's withdrawal age will remain the same. The changes follow a tripartite workgroup on older workers and aim to encourage employees to continue working and to be more financially independent.

### **INCREASES TO RETIREMENT AND RE-EMPLOYMENT AGES**

The current retirement age is 62 years, but employers must offer [re-employment](#) to eligible employees from retirement age to age 67. In 2022, the retirement and re-employment ages will increase to 63 and 68 years, respectively. However, the prime minister has urged private-sector employers to follow the public sector in implementing the increased ages from 2021.

By 2030, the retirement and re-employment ages will increase to 65 and 70, respectively.

### **INCREASES TO OLDER EMPLOYEES' CPF CONTRIBUTIONS**

Increased CPF contributions for employees over age 55 will phase in beginning in 2021. Contributions currently begin to taper at age 55, but "over the next 10 years or so," the government will increase this to age 60. Employees still will be allowed to withdraw some money from their CPF account starting at age 55 and to receive CPF payouts starting at age 65.

The prime minister said that the next budget will provide details about a support package to help employers adjust to the new arrangements. Employers previously expressed opposition to the increases.

### **RELATED RESOURCES**

#### **Non-Mercer Resources**

- [Singapore Prime Minister's Speech](#) (Prime Minister's Office, 18 Aug 2019)
- [Responsible Re-employment](#) (Ministry of Manpower, 1 Apr 2019)

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- [Singapore Set To Hike Retirement, Re-Employment Ages](#) (16 May 2019)

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