



Singapore announces budgetary measures to address COVID-19

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Singapore's government issued its fourth budget for 2020, which includes further measures to address the impact of COVID-19, such as the extension of the Job Support Scheme (JSS) and foreign levy waiver and rebate, incentives to hire Singaporean nationals, new job and training programs, the deferral of increased pension contributions, and a new fund to support certain individuals.

Highlights

Enhanced Job Support Scheme

- The JSS is extended for one month to cover wages paid in August 2020.
- Employers that were unable to open after the end of the "circuit breaker" period on 1 Jun 2020, will receive a 75% wage subsidy until August 2020, or when they are allowed to reopen (whichever is sooner).
- Reclassification of firms in the JSS tiers. Firms in more severely impacted sectors (for example, aerospace, retail, marine, and offshore sectors) will receive wage subsidies of either 75% or 50%, depending on the sector. Previously, these firms received wage subsidies of 25%.

Jobs and training programs

- New employment skills and retraining programs aim to create 100,000 jobs and training opportunities, including 40,000 jobs by the end of 2020 (of which 11,000 will be in the private sector). The new training programs will be rolled out in the coming months and aim to help local first-time and mid-career job seekers, along with a scheme to help individuals who have lost their jobs upgrade their skills while seeking new roles.

Incentives to hire Singaporean nationals

Employers will receive a monthly wage subsidy for up to six months for hiring local workers who have completed certain training programs. Subsidy amounts will be 20% (capped at SG\$6,000 for workers under age 40) and 40% (capped at SG\$12,000 for workers aged 40 and over).

Extended foreign worker levy rebate and waiver

Foreign worker levy rebates will be extended for up to two months for businesses that weren't allowed to resume on-site operations after the end of the "circuit breaker." In June, eligible employers will receive the full levy waiver and a rebate of SG\$750, and in July the waiver will be 50% with a rebate of SG\$375.

Central Provident Fund (CPF) contribution rate increases deferred until 2022

A scheduled increase in CPF contribution rates for older workers will be deferred by one year from 1 Jan 2021, to 1 Jan 2022. The CPF Transition Offset scheme is also deferred until after the CPF higher contribution rates take effect.

COVID-19 support grant

The government will fund a COVID-19 support grant that will pay individuals up to SG\$800 per month for three months if they have lost their job or been placed on leave without pay, or have had their salaries significantly reduced.

Related resources

- [Fortitude budget](#) (Government, May 2020)
- [Budget information](#) (Government)
- [Circuit breaker](#) (Government, 21 Apr 2020)

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