

[About us](#)[Work passes](#)[Employment practices](#)[Workplace safety and health](#)[More](#) ▾[myMOM Portal](#)

## Speech By Minister for Manpower Dr Tan See Leng at Ministry of Manpower Committee of Supply 2026

Dr Tan See Leng, Minister for Manpower, Parliament House

3 March 2026

### A. PREAMBLE

A1. Mr. Deputy Chairman, I thank members who have spoken in support of our workers and also our employers.

A2. The nature of work is changing rapidly.

- a. Geopolitical conflicts, as seen from recent developments over the weekend, are upending the world as we know it and reshaping global trade and investment flows.
- b. Artificial intelligence (AI) is transforming how we work, and
- c. Our workforce, too, is evolving. This year, Singapore will become a super-aged society.

A3. Even as we seek new growth frontiers, we must ensure that our growth remains inclusive and it creates meaningful careers for all.

A4. We start from a relatively good position today.

- a. Despite a challenging global environment, Singapore's labour market remains resilient.
- b. As of December 2025, we have recorded 17 straight quarters of employment growth since we emerged from COVID in 2021. Our resident unemployment rate has remained low at 2.9%.
- c. The labour market remained tight in 2025, with more vacancies than jobseekers.
- d. Real incomes at the median grew by 8.3% from 2020 to 2025 (1.6% p.a.).
- e. Lower-wage workers saw real incomes grow by 15% from 2020 to 2025 (2.8% p.a.), faster than the median worker. This was bolstered by productivity improvements and targeted wage support.

A5. These outcomes reflect our workers' and businesses' resilience and contributions, investments in growth areas like AI and advanced manufacturing, as well as very good collaboration with our tripartite partners.

A6. MOM will continue to walk with workers and businesses, so that every worker matters, and every worker can realise their potential and achieve their career aspirations, and every business can thrive by bringing out the best in their people.

A7. MOM has three priorities this year. Together with our tripartite partners, we will want to:

- a. One, empower Singaporeans to build meaningful careers;
- b. Two, enable businesses to transform and provide quality jobs; and

c. Three, build more inclusive workplaces that leave no one behind.

## B. EMPOWERING SINGAPOREANS THROUGH EVERY STAGE OF LIFE

B1. Let me begin with our first priority – empowering Singaporeans to build meaningful careers throughout life.

### Ensuring a Strong Start

B2. To our youths, we are committed to giving you a strong start to your careers. Transitioning from school to work can be daunting, especially with anxiety over how AI is changing entry-level jobs.

B3. Fortunately for us, the market for fresh graduates remains resilient, at least for now.

a. Vacancies continue to outnumber jobseekers. Over 4 in 10 openings are entry-level PMET roles suitable for young graduates.

b. By December 2025, over 8 in 10 university graduates from the 2025 cohort had already found employment, and this is comparable to the 2024 cohort.

### Updates on the Graduate Industry Traineeships (GRIT) scheme

B4. We will continue to prioritise creating more full-time opportunities for fresh graduates. While vacancies are available, some graduates do indeed face challenges in finding the right match. To support them, we introduced the GRaduate Industry Traineeships (GRIT) scheme last year, alongside GRIT@Gov for the public sector.

a. GRIT helps our graduates acquire structured, industry-relevant work experience.

b. Over 400 graduates have already embarked on traineeships in the various industries.

c. Employers have told us that GRIT has helped them increase hiring amidst a more cautious environment, and they intend to emplace good performers onto full-time positions. We incentivise employers to do so by continuing subsidies for trainees emplaced during the traineeship period.

B5. Take Ms. Jewel Goh and Mr. Dominic Wong, two recent graduates who started their traineeships at DBS.

a. Jewel, who has a diploma in Applied AI and Analytics, was given the opportunity to apply what she has learned to support DBS's technology systems and large-scale operations. Dominic, a Communications graduate, got the chance to develop partnerships with DBS's stakeholders.

b. I am sure that their GRIT experience has given both graduates more clarity and confidence to take their next steps.

B6. GRIT remains open to graduates from the 2025 cohort, and we will extend applications to the 2026 cohort. We are also speeding up applicant onboarding. If market conditions call for it, we may expand capacity.

B7. Several members have made suggestions on supporting our youths.

a. Mr. Gerald Giam suggested introducing wage support for SMEs to hire graduates.

b. Associate Professor Jamus Lim proposed a national apprenticeship programme to strengthen on-the-job training.

B8. These suggestions are in line with the Government's ongoing efforts.

a. We have been enhancing work-based learning and on-job training through schemes like the AI Apprenticeship Programme and the SkillsFuture Work-Study Programme (WSP).

b. The WSP has grown significantly, and as MOE shared earlier on, the Work-Study Diploma programme will be enhanced in line with the Economic Strategy Review's (ESR) recommendation to support flexible pathways that blend training and working throughout life.

c. We are also subsidising 70% of traineeship costs through GRIT.

B9. While we will continue to study such suggestions and look into more ways to support our fresh graduates, we should also design our support carefully and sustainably.

- a. For example, GRIT sources the traineeships from leading companies in growth areas, ensuring that our graduates gain high-quality experiences and stronger long-term prospects.
- b. A broad-based wage subsidy for SMEs to hire graduates may not provide the same quality of experience, if companies lack the capacity to train them or provide meaningful careers once the subsidies end.
- c. A general subsidy may also entail even more wastage, given that 80% of our graduates have been able to secure jobs within months after graduation, without such wage subsidies today.
- d. Additionally, we also have to balance against unintended outcomes, where companies might end up retrenching older workers and replacing them with cheaper fresh graduates, so that they can save on manpower costs.

B10. Our approach, on balance, is appropriate for the present situation, where many full-time roles remain available. To help match graduates to such roles, we have stepped up career guidance and employment facilitation efforts through WSG e2i and the IHLs.

#### *Expanding the Overseas Market Immersion Programme (OMIP) to Young Professionals*

B11. Beyond this, overseas work stints help and equip Singaporeans with the necessary skills and perspectives for a globalised economy.

- a. Since launching in 2024, WSG's Overseas Markets Immersion Programme (OMIP) has already supported more than 120 local professionals to gain overseas experience.
- b. Together with other agencies' overseas deployment programmes, over 430 local workers have benefitted as of 2025.

B12. We recognise that our youths have a growing interest in gaining overseas experience. Hence, we will expand the OMIP to support young professionals gain overseas exposure even earlier in their careers.

- a. Providing early opportunities strengthens our talent pipeline and our companies' global competitiveness.
- b. Details will be shared in due course.

#### **Expanding Career Horizons**

B13. Beyond a strong start, we will also ensure that all workers have the resources to thrive throughout their careers.

B14. We will do so in four ways: by building an AI-ready workforce, helping workers navigate the labour market with confidence, developing our local professional talent pipeline, and supporting displaced workers.

#### *Building an AI-Ready Workforce*

B15. One of our foremost priorities is to build an AI-ready workforce.

B16. A recent report by McKinsey, EDB, and Tech in Asia found that about three in five Southeast Asian firms have yet to see meaningful financial gains from AI. This is partly due to a lack of internal expertise and low employee adoption.

B17. We cannot afford to let this gap persist. To translate the potential of AI into good jobs for Singaporeans, we will take decisive steps to build an AI-ready workforce.

B18. Like learning a language, developing true fluency in AI comes from consistent use and building confidence through experimentation. Therefore, we will make it easier for Singaporeans to have hands-on experience and access to the latest AI tools.

B19. As announced at Budget, those who take up selected SkillsFuture AI courses will receive free subscriptions to premium versions of best-in-class AI tools for six months.

a. MOM has been engaging providers such as Google, Manus, Microsoft, and OpenAI. We will announce details in due course, including the tools and platforms that qualify.

B20. Associate Professor Terence Ho suggested for AI access to be extended even more widely, including to mature and lower-income workers.

a. I agree that access should be inclusive, regardless of age or income. Hence, this initiative will be open to all Singaporeans aged 25 and above, and they are paired with practical and accessible training for AI at various levels.

b. Beyond this, we will continue to explore ways to include more mature and lower-income workers in our national AI journey.

B21. While an AI-ready workforce offers significant potential to improve productivity, we must steer AI adoption to enhance our workers' potential, not displace or replace it. I will elaborate later on our support for employers to do so.

*Helping Workers Navigate the Labour Market with Confidence*

B22. Second, we will help workers better navigate the labour market and seize new opportunities with confidence.

B23. To this end, we are fundamentally reviewing our jobs and skills ecosystem, which Ms. Gho Sze Kee spoke about earlier. We have four goals, the four "V"s: Volume, reaching a larger share of the workforce; Variety, meeting more diverse needs in a complex job market; Velocity, matching people to opportunities more quickly; and Value, supporting long-term career health.

B24. To drive these strategic shifts, we are forming a new agency.

B25. With your permission, Mr Deputy Chairman sir, may I ask the Clerks to distribute a handout detailing our efforts to support Singaporeans' career journeys. Members may also access these materials through the MP@SGPARL App.

*Formation of Workforce and Skills Singapore (WSSG)*

B26. As you have heard from PM, SkillsFuture Singapore and Workforce Singapore will merge into Workforce and Skills Singapore, or WSSG, a new statutory board under MOM and jointly overseen with MOE. It will be established in the third quarter of 2026, helmed by Dilys Boey, who is the current Chief Executive of WSG. Its mission will be to:

- a. Empower Singaporeans to develop future-ready skills and access good job opportunities;
- b. Enable businesses to create good jobs for Singaporeans and develop their workforce; and
- c. Promote a culture of lifelong learning and career health.

*Integrating skills training and employment facilitation*

B27. Sec Gen Mr. Ng Chee Meng asked how this merger will benefit Singaporean workers, and how we will better translate training into employment and productivity gains. Ms Eileen Chong said that the new agency should not just support workers, but also employers, to take forward SSG's ongoing efforts in encouraging skills-first hiring.

B28. Today, our skills and employment facilitation capabilities sit in separate agencies. Bringing them together under one roof creates a single, powerful engine for human capital development. It will collaborate with other agencies and stakeholders to benefit both Workers and Employers.

B29. For Workers, this means simpler access and more integrated career support in a fast-changing marketplace.

- a. It means a single portal to access training, career guidance, and job opportunities, without have to navigate multiple agencies.
- b. By combining career and skills data, we can give you a clearer picture of where opportunities are, enabling better-informed career and training decisions.

B30. For Employers, the merger will help us be even more responsive to your talent needs.

- a. With more timely and comprehensive labour market and skills insights, WSSG can help to reduce skills mismatches and time-to-hire.

- b. Creating a single point of contact will also simplify how we support businesses to address hiring, training, and workforce transformation needs.

#### Expanding the Career Health Movement

B31. WSSG will play a critical role in expanding the career health movement – going beyond reactive job matching, to proactive career planning. As outlined in the handout distributed to members, we have initiatives targeting both Workers and Employers.

B32. For Workers, we launched Career Health SG last year with a fundamental message – stay proactive, pre-emptive about your career. The response has been encouraging thus far – nearly two-thirds of our workers now see value in improving their career health. But there is more to be done. Many are still unsure how to begin.

- a. Starting on your career health journey doesn't have to be that overwhelming. We have been building practical tools to help our fellow Singaporeans.
- b. The Careers & Skills Passport, or CSP in short, lets you take stock of your skills, and CareersFinders helps you discover job options you may not have considered.
- c. For those who need even more personalised support, we have expanded access to career planning programmes. Almost 9 in 10 respondents reported having clearer direction and greater confidence after attending such programmes.

B33. These tools have delivered positive outcomes. Following the integration of CSP with job portals JobStreet and FastJobs, our partners found that job applications with verified credentials are 1.5 times more likely to be shortlisted by employers.

- a. We are expanding our CSP partnerships to five more job portals – MyCareersFuture, Careers@Gov, EASE, FindSGJobs, and eFinancialCareers.
- b. We have also integrated CSP with HR tech firm JobTech's platform, enabling employers to search for candidates based on verified skills data.

B34. For Employers, tools like TalentTrack and TalentTrack+ can also help you better assess your workforce readiness and identify internal talent for new roles.

B35. In total, our tools and initiatives have already helped over 800,000 individuals and 38,000 firms.

#### *Strengthening the Ecosystem of Career and Employment Services*

B36. Through WSSG, we will also strengthen our ecosystem of career and employment service providers to serve different workforce segments more effectively.

B37. As our workforce evolves, new forms of career support are needed – some of which can be delivered effectively through private service providers specialising in certain industries and sectors or workforce segments.

B38. For example, WSG has partnered Ingeus and AKG, two private job matching firms, to provide more specialised support for PMEs since 2017.

- a. We have observed higher re-entry rates amongst those assisted, compared to retrenched residents in general.

B39. To take this further, we convened the Alliance for Action on Advancing Career and Employment Services (AFA-ACES).

B40. Under this workgroup, we will launch nine pilots with private sector partners to test new services, covering a range of individual and employer segments. For example:

- a. For fresh graduates, we will test services combining career guidance and industry exposure to support your school-to-work transition.
- b. For mid-level professionals, we will pilot personalised career agents to help you move into better roles.
- c. For caregivers, seniors, and those facing greater hardship, we will explore new ways to support you to work more flexibly or better still, return to work.

d. For SMEs, we will test ways to support your own internal mobility and also perhaps, suggest to you to adopt new work models.

B41. The workgroup will release its recommendations in the second half of this year.

B42. These efforts will also help address concerns about underemployment, which Mr. Patrick Tay had requested updates on.

a. MOM has been studying underemployment in the form of overqualification, where workers possess higher educational qualifications than typically required for the job.

b. Preliminarily, we found that most overqualified workers in Singapore took up their current jobs voluntarily, for reasons such as flexibility or planned career transitions.

c. The share of involuntarily overqualified workers remains small and stable. Our efforts to strengthen the career and employment ecosystem will better support these workers to find jobs more aligned with their aspirations, or develop the skills to enter such jobs.

d. We will release detailed findings later in the year.

#### Developing Local Professional Talent

B43. Third, for Singaporeans who aspire to leadership positions, we will help you develop the skills to do so.

B44. In the past year, we have expanded the capacity and uptake of our professional development programmes.

a. With support from EDB, the Singapore Leaders Network run by the Human Capital Leadership Institute has grown to over 4,000 members, with new and expanded offerings. This includes the Overseas Transition Support programme, which has already supported about 120 professionals.

#### Supporting Displaced Workers

B45. Finally, as the economy evolves, some Singaporeans will inevitably find their jobs changing or coming to an end. But at the same time, I want to assure you, new opportunities will arise, and we will help you seize them.

B46. Last year, we launched the SkillsFuture Jobseeker Support (JS) scheme, which provides temporary financial relief and job search support to involuntarily unemployed individuals, helping them regain their footing and return to work with confidence.

B47. The scheme has made a difference for many Singaporeans, but we can do more. Just as what Sec Gen Mr. Ng Chee Meng and Mr. Patrick Tay have suggested expanding the scheme's coverage beyond the current qualifying income cap.

a. The JS scheme has been in place for less than a year, we are reviewing the scheme and its parameters when we have more experience. We will ask for your indulgence and patience in supporting us as we embark on this journey.

b. SMS Koh will provide further updates on the scheme.

#### **Unlocking Career Longevity**

B48. Let me now turn to the later stages of one's career.

B49. As Singaporeans lead longer and healthier lives, we must shift from managing the pressures of ageing, to unlocking the benefits of career longevity.

B50. As previously announced, we will raise the retirement and re-employment ages to 64 and 69 respectively on 1 July 2026, this would keep us on track to raising them to 65 and 70 by 2030.

a. This will give our seniors more flexibility and assurance, while enabling employers to retain experienced workers.

B51. Beyond how long we work, we must also transform how effectively we work – by creating more flexible and varied pathways for seniors to remain engaged and productive.

B52. The Tripartite Workgroup on Senior Employment (TWG-SE) is studying a more integrated approach to support career longevity, including enabling individuals to plan earlier for later-stage career transitions, and equipping employers to design age-friendly jobs and workplaces.

a. SMS Koh will share more about these initiatives.

B53. In the interim, we will extend the Senior Employment Credit until December 2027 to continue supporting employers hiring senior workers.

### **Strengthening Retirement Adequacy**

B54. At the same time, we will continue to strengthen our retirement adequacy policies to give our seniors greater assurance.

B55. We have been enhancing the CPF system over the last few years, providing Singaporeans with more support.

B56. This has only been possible because of our strong social compact and belief in shared responsibility between individuals, families, employers, and the Government. We will continue to stay this course.

B57. As announced, we will increase CPF contribution rates in 2027 for senior workers – by 1.5 percentage-points for workers aged above 55 to 60, and 1 percentage-point for workers aged above 60 to 65. This will better support retirement adequacy for seniors who wish and want to take the option to continue working.

a. With this, we have reached the target contribution rates for senior workers aged above 60 to 65, as recommended by the Tripartite Workgroup on Older Workers.

b. We will extend the CPF Transition Offset for another year to help cushion half of the increase in employer CPF contributions.

B58. Later this year, we will also announce the new retirement sums for cohorts beyond 2027, to allow members to better plan ahead. With rising living standards, the new retirement sums will better reflect the savings needed to meet basic retirement needs in the future.

B59. For seniors who may face challenges in building up enough savings despite their best efforts, we are committed to support you. As announced, we will provide a CPF Top-Up of up to \$1,500 for eligible Singaporeans aged 50 and above, with CPF balances below the prevailing Basic Retirement Sum. The top-up will be automatically credited this year.

B60. Finally, we will provide more choices within the CPF system for Singaporeans to grow their retirement savings.

B61. Today, the CPF system offers risk-free interest of up to 6%. Members seeking potentially higher returns can invest through the CPF Investment Scheme (CPFIS), which has around 700 products available. However, this requires financial knowledge and active investment management.

B62. As PM announced, the CPF Board will introduce a new investment scheme, with life-cycle investment products that would automatically shift to lower-risk assets via a glide-path as the investor grows older. This helps to calibrates exposure to investment risk at different life stages, and it mitigates market downturn risk when it is time to exit.

a. To keep choices simple, we will curate two to three reputable commercial providers offering a small number of options. To Mr. Saktiandi Supaat's question on product provider selection, applications will be rigorously evaluated by independent investment consultants appointed by the CPF Board, covering investment capability and track record, among others.

b. We will cap all-in fees to keep costs low, and are prepared to provide some time-limited support to interested members.

B63. We agree with Mr. Saktiandi Supaat that for many Singaporeans, especially older workers and those prioritising certainty, the CPF risk-free returns remain highly attractive. Not everyone has the appetite for investment risk. Hence, this new scheme will be voluntary.

a. Members who prefer to actively manage their own investments can continue to invest their Ordinary and Special Account balances via the CPFIS.

b. Members can also opt to retain their savings in their CPF accounts to continue earning risk-free returns.

B64. We agree with Mr. Shawn Loh, Mr. Sanjeev Kumar Tiwari, and Mr. Saktiandi Supaat that investor literacy is key. Members must understand the products and their risks, and decide the most suitable option for themselves.

a. We will work with the selected product providers and partners, including MAS, to enhance investor education.

b. I also want to thank the Members for their suggestions on product design, such as cooling-off windows, the target date, and encouraging retention. We will consider them as we further engage the industry.

B65. We target to launch the new scheme in the first half of 2028, but of course, if we can do so earlier, we will. More details will be announced in due course.

### **C. ENABLING THRIVING BUSINESSES IN A CHANGED LANDSCAPE**

C1. Let me move on to our second priority – enabling businesses to thrive and create good jobs for Singaporeans in a changed landscape.

C2. Ms. Yeo Wan Ling requested an update on how we will refresh our foreign workforce policies to generate growth and good jobs for Singaporeans, while recognising the limits to which we can keep growing our foreign workforce.

C3. Thriving businesses are the engine of good jobs, rising wages, and sustained opportunities for Singaporeans.

C4. In a fast-changing global environment and under tighter resource constraints, businesses can only thrive by continuously transforming their business models and investing in their workforce.

C5. Therefore, enabling business transformation remains central to our foreign workforce strategy.

C6. We will continue to remain globally connected and open to talent that can complement our skilled local workforce, while reducing reliance on foreign labour where there is scope to raise productivity.

C7. We will make further enhancements to our foreign workforce policies in line with this approach.

#### **Winning the Race for Global Talent**

C8. First, we will continue to compete globally for top-tier talent. Since the launch of the Overseas Networks and Expertise (ONE) Pass for pinnacle talent in 2023, there has been healthy growth in take-up. Currently, over 8,000 individuals are on the ONE Pass, and many of them contribute to sectors critical to our future economy.

C9. Take Dr. Anders Skanderup, an Assistant Director at the A\*STAR Genome Institute of Singapore. He developed Fragle, which is a novel AI-based method to monitor cancer progression and relapse through blood tests.

C10. Or Mr. Oliver Jay, Managing Director at OpenAI, whose experience in bridging Silicon Valley and Asia supports Singapore's ambitions as a leading AI hub. Previously, Mr. Jay spent two years mentoring Singaporean leaders in high-growth Singapore companies such as Carousell and Glints.

C11. To strengthen our attractiveness to top talent in critical and emerging technologies like AI and quantum computing, we will introduce a new ONE Pass AI and Tech track in January 2027. This will replace the Tech.Pass, offering more attractive terms.

#### **Staying Open to Skills and Expertise from Abroad**

C12. Second, we must stay open to skills and expertise from abroad, while ensuring they continue to complement our local workforce.

C13. Our Employment and S Pass Qualifying Salaries are regularly updated to keep pace. They are keeping pace with local wage benchmarks – they don't lead local wage benchmarks, ensuring that foreigners who come here do not compete mainly based on accepting lower salaries.

C14. As announced, we will raise the EP minimum qualifying salary from \$5,600 to \$6,000, in line with wages of the top one-third of our local Professionals, Managers, Executives, and Technicians (PMETs). This will apply to new EP applications from 1 January 2027, and renewals from 1 January 2028, to give employers time to adjust.

C15. Beyond meeting the qualifying salary, EP applicants must also pass COMPASS. Mr. Patrick Tay requested an update on how our COMPASS framework incentivises firms to improve their workforce profile.

- a. Since implementation in 2023, about two-thirds of current EP holders have passed through COMPASS. Results suggest we are moving in the right direction.
- b. The share of firms with higher dependence on foreigners of a single nationality has decreased by 20%, while the share of firms with higher dependence on foreigners in general has decreased by 37%.

C16. For the S Pass, we will continue to raise the minimum qualifying salary in line with wages of the top one-third of our local Associate Professionals and Technicians (APTs).

- a. In the first step, we will raise the minimum qualifying salary from \$3,300 to \$3,600. This will apply to new applications and renewals from 1 January 2027 and 2028 respectively.
- b. By around 2030, if the economy continues to grow, the S Pass minimum qualifying salary is expected to be around \$4,000 to \$4,500, the caveat depends on prevailing local wages and economic conditions.

### Prioritising Quality for Work Permit Holders

C17. With an ageing local workforce, Singapore needs Work Permit Holders to deliver essential infrastructure, goods, and services.

- a. Our Work Permit numbers in the Construction sector have grown by 36% over the last five years, as we catch up on important projects post-COVID. Across all sectors, Work Permit numbers have grown by 186,000, or 27%. We agree with Ms. Yeo Wan Ling that our Work Permit growth must be sustainable, given our infrastructural and social constraints.
- b. Businesses must operate more efficiently by adopting technology and redesigning jobs and we have grants to help companies do that.

C18. Even as we manage numbers, we will continue to support businesses in accessing higher-quality Work Permit holders. To this end, we will make two enhancements to our Work Permit framework.

C19. First, we will streamline our Work Permit levy framework to make it easier for businesses to understand and plan how they hire, train, and retain Work Permit holders.

- a. Over the decades, Our levy framework has evolved to comprise 24 different rates, different tiers.
- b. We will start by reducing the number of rates from 24 to 20, and will progressively streamline this over time.

C20. For the Marine Shipyard and Process sectors, we will work towards aligning levy rates with Construction.

- a. For a start, we will raise the levies for basic-skilled workers by \$100 and \$150 respectively, this is set to incentivise companies to hire higher-skilled workers. So our exhortation is for companies to bring in higher skilled workers, to retain them and train them well.

C21. For the Manufacturing and Services sectors, we will combine the bottom two tiers. For this new combined tier, the levy rates for Higher- and Basic-skilled workers will be \$300 and \$470 respectively for Manufacturing; and \$400 and \$600 respectively for Services. So please take note, the higher-skilled workers will enjoy lower levy compared to the relatively unskilled worker.

- a. We will retain existing levy rates for the highest tier, so that firms with a higher reliance on Work Permit holders continue to pay higher rates. Because we hope that they can work with us to redesign, improve and transform their work processes to achieve higher productivity.

C22. The revised levy schedule will take effect from 2028. MOM will also work closely, we are giving a heads up in advance so companies can plan for it, and MOM will work closely with industries to strengthen the framework for identifying higher-skilled workers eligible for lower levies in each sector.

C23. Second, we will add eight new occupations to the Non-Traditional Source Occupation List (NTS-OL) from September 2026, in the areas of food services, social services, and air transportation.

- a. The NTS-OL allows businesses to hire higher-quality non-PMET workers from non-traditional source countries for specific roles with not enough locals.

b. Mr. Mark Lee shared the challenges of domestic-oriented sectors that operate on thin margins and rely on S Pass holders for frontline roles, such as F&B.

c. With the upcoming expansion of the NTS-OL to include four more F&B roles, including frontline waiters, businesses can retain these workers who may not meet the higher S Pass qualifying salary.

C24. Both Mr. Mark Lee and Mr. Shawn Loh raised an important point – we need to be pro-business to be pro-worker. They have asked how MOM considers sector needs and business costs when calibrating our policies.

a. Our policy changes are developed in close consultation with sector agencies and industry partners.

b. Where essential or strategic areas have limited scope for automation or localisation, MOM works with sector agencies to provide targeted foreign manpower flexibilities, calibrated to avoid entrenching labour-intensive business models.

c. We closely monitor business cost increases, keeping in mind Singapore's continued ability to attract investments and talent.

d. Between 2019 and 2025, profit rates<sup>1</sup> in Singapore grew by 4.4% per year, indicating that businesses have been improving profitability alongside cost increases. Singapore was also ranked as the most talent-competitive economy in the 2025 Global Talent Competitiveness Index.

e. In addition, we are ramping up business cost support measures through targeted wage credit schemes, which SMS Koh and MOS Dinesh will elaborate on.

C25. We understand that businesses need time to shift towards more productive models, and therefore we announce in advance, and we implement changes at a measured pace and phased approach.

### **Future-proofing our Businesses in the Face of Technological Change**

C26. As businesses transform, jobs will also evolve. To succeed, firms must invest in developing their workers to take on new and redesigned jobs.

C27. As announced last year, the Government has set aside over \$400 million for the Enterprise Workforce Transformation Package (EWTP). Working with SBF and SNEF, the scheme aims to strengthen the link between enterprise transformation and workforce development, capturing growth and creating jobs.

C28. Dr. Wan Rizal asked about the implementation of the EWTP. Under EWTP, the SkillsFuture Workforce Development Grant (Job Redesign+) (WDG(JR+)) will be rolled out in March 2026.

a. This builds on the earlier Support for Job Redesign under Productivity Solutions Grant (PSG-JR) programme, which supported smaller-scale projects, leading to improved retention and wage growth.

C29. The WDG(JR+) will expand support significantly. Enterprises can now receive up to 70% of project costs capped at \$150,000 per company, higher than the PSG-JR cap of \$30,000. This is a five-fold increase. This will allow companies to redesign more roles, engage experts to build internal capabilities, and implement AI-native workforce solutions.

C30. The redesigned SkillsFuture Enterprise Credit (SFEC) will also be launched in late 2026. Companies can tap on the SFEC to further defray the out-of-pocket expenses of workforce transformation.

C31. Associate Professor Terence Ho has asked how Singapore can build expertise in human-centric job redesign, ensuring that AI augments rather than replaces human contribution.

a. We do so through initiatives like the EWTP, which couples productivity support with workforce support. We have also worked very closely with NTUC through the Company Training Committee (CTC) programme.

b. Through WDG(JR+), enterprises can work with consultants to assess their AI readiness, identify opportunities, and redesign roles.

c. They can also receive support to implement workforce technology solutions, such as AI-powered HR tools.

C32. We will continue to improve access to AI support under EWTP, with pre-packaged solutions targeted at specific company needs. Details will be announced subsequently.

### **Developing the People Behind the People**

C33. To further drive workforce transformation efforts, we must also develop our HR leaders and professionals – because the people behind the people. To uplift human capital management standards, we formed a Tripartite Workgroup on Human Capital Capability Development last year.

C34. The Workgroup has made important progress in developing strategies to strengthen firms' HR capabilities, such as through establishing clear benchmarks for human capital performance, and expanding professional HR practice to more organisations.

C35. SMS Koh will share more on the Workgroup's recommendations.

### **D. BUILDING WORKPLACES THAT WORK FOR ALL**

D1. Finally, our third priority is to build more inclusive workplaces that leave no one behind.

D2. Economic growth and business transformation must go hand-in-hand with fairness and inclusion. Our workplaces must continue to provide every worker with safety, opportunity, and dignity.

#### **Creating Diverse Pathways to Success**

D3. In the past, success in the labour market was narrowly defined by academic qualifications, linear career paths, and traditional professions.

D4. Increasingly, there is greater awareness that there are diverse pathways to success, and every profession deserves recognition and respect.

D5. As PM said, inclusive growth also means creating good jobs in domestic and essential services where many workers are employed.

a. The ESR has also recommended broadening the range of good jobs in our economy.

D6. Associate Professor Terence Ho has identified several areas where we can redesign jobs to attract more young Singaporeans, including healthcare and skilled trades.

a. PM has outlined how we are increasing pay and progression in the education, healthcare, and social service sectors.

b. We are working with the labour movement and trade associations to make similar efforts for the skilled trades.

D7. We agree with Ms. Diana Pang and Mr. Saktiandi Supaat that the skilled trades can and should offer good job opportunities for those who prefer "hands-on" work that require dedication and mastery.

D8. Many such trades will remain essential in our future economy. They may also be resilient, or even complementary, to automation by AI.

a. Electrical work, for example, will remain indispensable in our transition to a green and AI-powered economy.

b. Yet with the workforce ageing in such trades, we need to think harder about workforce renewal and attracting more Singaporeans to join these trades.

D9. There are young Singaporeans that are building fulfilling careers in the skilled trades. For example, Mr. Koh Jia Xing, an electrical engineer with Syntigro Engineering Ptd Ltd.

a. Having trained in aerospace engineering at ITE, Jia Xing decided that he wanted to embark on a career in electrical engineering.

b. In his career thus far, one project stood out for him – replacing a hospital's main electrical switchboard, with the hospital still fully operational. That is a very difficult task. Any outage will result in a significant compromise in human lives. So this is high-stakes, very challenging work, but one that gives a sense of fulfillment and pride in how skilled tradespeople can keep critical systems running.

c. Today, Jia Xing is pursuing a Masters in Electrical and Electronic Engineering at the Singapore Institute of Technology. We want to support those with similar aspirations to Jia Xing.

D10. Thus, MOM has signed an MOU with the Specialists Trade Alliance of Singapore to embark on a pilot to uplift the electrical trade.

a. As part of this pilot, we will work with industry to develop initiatives for tradespeople, such as a more structured career and skills progression ladder, and apprenticeships.

b. We have started with the electrical trade given its essential role in our future economy, that it has deep skills content, and the need to build a strong local pipeline. We will learn from this to scale up our efforts to other trades.

c. We will provide updates at a later stage.

### **Uplifting Lower-Wage Workers**

D11. Building workplaces that leave no one behind also means ensuring that our growth is shared. We will continue to support wage improvements for lower-wage workers, such as through raising the Local Qualifying Salary (LQS)

D12. We have received feedback from businesses that MOM's policies add to costs, and many employers are feeling the squeeze amidst tight margins. I hear you, I empathise with you.

D13. At the same time, I want to provide a different perspective, that our manpower policies also serve important social objectives.

a. As highlighted in MOE's Occasional Paper on inequality, policies such as the Progressive Wage Model (PWM) play a crucial role in achieving inclusive growth, and it prevents social fissures from deepening.

b. The majority of labour-related business cost increases arising from Government policies go towards uplifting wages for lower-wage workers.

c. Without such policies, our lower-wage workers will fall further behind, just as Singapore's GINI coefficient showed before the introduction of the PWM in 2012.

D14. The Government will nevertheless continue to help our businesses mitigate the cost pressures that you are experiencing. We are with you.

D15. As announced, we will extend the Progressive Wage Credit Scheme (PWCS) to 2028, extended by two years, to support businesses doing their part to uplift lower-wage workers.

D16. Mr. Shawn Loh and Mr. Liang Eng Hwa suggested extending or making PWCS co-funding permanent.

D17. Meanwhile, Ms. Yeo Wan Ling and Mr. Pritam Singh asked how PWCS can be better tied to productivity outcomes.

D18. Our policies strike a balance between these two perspectives. Productivity improvement is key to achieving sustainable wage gains. The PWM is central to these efforts – linking wage growth to skills development, career progression, and job redesign.

a. However, productivity improvements can be uneven across sectors.

b. In domestically-oriented sectors where many of our lower-wage workers are employed, it takes time to redesign labour-intensive work processes, and it also takes time to allow lower-wage workers to upskill into new roles.

D19. Therefore, on top of broad-based enterprise transformation measures, we introduced the PWCS, temporarily cushioning the near-term cost impact of moves to support lower-wage workers.

a. This ensures that support remains a catalyst, not a substitute, for productivity improvement.

b. The PWCS is reviewed regularly to provide adequate support to businesses while they transform. Just as crucially, as Ms. Yeo Wan Ling highlighted, this ensures a manageable pace of change for lower-wage workers to upskill into new roles, limiting disemployment risks.

D20. Many companies have made good use of Government support to innovate and evolve alongside their workers.

- a. Over 600 companies have tapped on the CTC Grant since August 2022.
- b. Likewise, over 600 companies have taken up the PSG-JR since 2020.

D21. That said, we must continually renew our efforts. In response to Mr. Melvin Yong, we still have some way to go to boost productivity growth in PWM-covered sectors.

- a. As highlighted by the Singapore Productivity Centre's Food Services Productivity report, improving productivity is essential for resilience and sustainable growth, especially for firms in sectors facing manpower shortages, competitive pressures, and rising operational costs.

D22. The Government is fully committed to walking alongside employers and lower-wage workers on this journey.

- a. I spoke earlier about some of the initiatives we will be rolling out to this end, including the EWTP.
- b. The extended PWCS support in 2027 and 2028 will also raise the minimum qualifying threshold for wage increases from \$100 to \$200, better targeting businesses that invest in capability and workforce development.
- c. These efforts are aligned with the ESR's recommendation to broaden the range of good jobs across our economy.
- d. MOS Dinesh will share about how we will further support upskilling for lower-wage workers.

D23. Ultimately, uplifting our lower-wage workers is a whole-of-society effort. We hope employers will take advantage of support to deepen their transformative efforts, and lower-wage workers will seize upskilling opportunities to move into higher-value jobs.

#### **Promoting Inclusive Workplace Practices**

D24. Members, including Sec Gen Mr. Ng Chee Meng, spoke about the challenges faced by caregivers, including the "sandwiched generation".

D25. We will continue to encourage inclusive workplace practices, supporting workers who may face higher barriers to workforce participation such as women, caregivers, and persons with disabilities.

D26. SPS Shawn Huang will provide updates on these efforts.

#### **Strengthening Workplace Harmony**

D27. As work evolves, our employment framework must remain fit-for-purpose.

D28. As announced last year, we have embarked on a review of the Employment Act (EA).

- a. The tripartite partners are reviewing how the EA can continue to provide appropriate safeguards for different worker groups, including updating coverage and protections for our most vulnerable workers under Part 4 of the EA.
- b. We are also looking at how to provide businesses with greater flexibility and efficiency in workplace management, and to streamline key provisions for easier compliance.
- c. We aim to ensure that our employment framework remains trusted and relevant, upholding a harmonious and equitable labour compact where both workers and businesses can thrive.

D29. Mr. Patrick Tay suggested mandating advance notification prior to retrenchment. Mr. Ng Chee Meng also asked whether Mandatory Retrenchment Notifications (MRNs) can be brought forward.

- a. While advance notification has merits, mandating such a requirement poses non-trivial challenges. Retrenchment is often, in fact I will say always, a difficult process for all parties involved and is often a last resort for companies. Many a times, senior management conduct backroom negotiations to save as many jobs as possible. If we mandate advance notifications, this may inadvertently push companies to finalise retrenchments faster, discouraging such negotiations.
- b. Businesses have also expressed concerns over the potential leakage of confidential, market-sensitive information.

c. We are not ruling out any option. We are consulting tripartite partners on these issues, and will update in due course.

D30. Mr Pritam Singh suggested that Singapore legislate retrenchment benefit, with larger companies paying a higher amount. I have said before when we pushed for the WFA, legislation is not a panacea. We adopt a balanced approach, we protect our workers while at the same time giving businesses the flexibility to adjust in different situations because retrenchments occur for a variety of reasons. Company size is also not an indicator of the company's ability to afford retrenchment benefit. For example, if we mandate retrenchment benefit in larger companies facing financial difficulties we may inadvertently put even more jobs at risk.

D31. On balance, we are reviewing it and SMS Koh will provide further updates on the EA review.

### Promoting Safer and Healthier Workplaces

D32. Next, every worker deserves to return home safe and healthy.

D33. Workplace safety and health (WSH) is a shared responsibility that involves all of us — employers, workers, and Government.

D34. MOS Dinesh will update on moves to strengthen and improve WSH ownership.

### Strengthening Our Migrant Worker Management Ecosystem

D35. Finally, migrant workers play an essential role in our economy, contributing to our development by building our infrastructure.

D36. MOS Dinesh will also update on our continuing efforts to ensure our migrant workers' well-being.

## E. MANDARIN SPEECH

E1. Mr Chairman, I will now speak in Mandarin.

E2. 人工智能正在迅速改变我们的工作方式，而今年，新加坡也将迈入超老龄化社会。

E3. 有部分的国人可能对未来感到焦虑。这是可以理解的。随着经济的转型，政府会确保我国的增长保持包容性，并为国人创造良好、有意义的工作。

E4. 其中一个重要方面就是善用人工智能的潜力，为新加坡人带来长期优质的就业机会。人工智能是工具，它不是竞争对手，它也绝对不是年轻人的专利。

E5. 只要我们肯尝试、我们敢使用，我们都可以从中受益，改善我们的工作方式。

E6. 因此，人力部将把人工智能工具普及化，让国人更容易接触人工智能。报读指定课程的国人，将可以获得为期六个月的免费订阅，能够帮助大家建立信心，能够去使用人工智能工具。

E7. 人力部也将确保国人在职业生涯的每个阶段，都有支持相伴。

E8. 我们也会帮助大专毕业生打好职业起步的基础。同时，我们也会为想要继续工作的年长员工提供更灵活的工作安排，并加强他们的退休保障。

E9. 正如古人所言“烈士暮年，壮心不已”，岁月带来的是历练，不是退场。年长员工的经验与智慧，正是我们职场最坚实的力量。

E10. 请大家放心。这是人力部对你们的承诺。无论你们处于职业生涯的哪个阶段，我们都会与你们并肩同行，帮助你们在瞬息万变的就业市场中不断地提升，自我突破，自信地迈向未来。

E11. 就有如诗人李白所写，“长风破浪会有时，直挂云帆济沧海”，只要我们坚定信心、携手前行，我们必能乘风破浪，共创更好的明天。

## F. CONCLUSION: SHAPING OUR FUTURE OF WORK, TOGETHER

F1. To conclude, Mr. Deputy Chairman, the road ahead will be neither certain nor easy. But we have proven over the last 60 years, that we can overcome any challenge as long as we are prepared to tackle them collectively together. We did it before, and we will do it again.

F2. Our strong labour market and wage outcomes, they are the result of deliberate choices for us as a society, as a country, as a people to invest in our workers' skills and development, support business transformation, and uphold fairness and trust in our workplaces.

F3. We will continue to ride and build on this momentum. We all have to play our part.

- a. Workers must take ownership of their career health, continually renewing their skills and staying open to new pathways.
- b. Businesses must continue to transform, creating better jobs and new opportunities.
- c. The Government will continue to walk alongside all of you, refreshing our policies so that growth remains sustainable and anchored in opportunity. No one will be left behind.

F4. Tripartism remains our strength, the cornerstone of our strength. It is through trust and partnership between workers, employers, and the Government that we have weathered past challenges. And it will be through this same partnership that we seize the opportunities ahead.

F5. Together, we will collectively shape a future of work where every one of us can contribute with confidence, grow with purpose, and look ahead with assurance.

## FOOTNOTE

1. Defined as gross operating surplus per unit of real value-added.

[Report vulnerability](#)  [Privacy](#) [Terms of use](#) [Legislation](#) [Sitemap](#) [Supported browsers](#)

© 2026 Government of Singapore  
Last Updated: 09 March 2026