

iGlobal Law Annual Alert 2023 : Singapore

Legal Change	Effective Date	Action required
<p>Changes to minimum qualifying salary for Employment Pass</p> <p>With effect from September 1st 2022, the minimum qualifying salary for new Employment Pass (“EP”) applications is increased to S\$5,000 for candidates who are not in the financial services sector. This increases progressively with the age of the candidate up to S\$10,500 for candidates in their mid-forties and above. For candidates in the financial services sector, the minimum qualifying salary is increased to S\$5,500. This increases progressively with the age of the candidate up to S\$11,500 for candidates in the mid-forties and above.</p> <p>The new minimum qualifying salary will apply to renewals of EPs with effect from September 1st 2023.</p>	<p>September 1st 2022 for all new EP applications.</p> <p>September 1st 2023 for all renewals of EP.</p>	<p>It is essential that affected businesses check if EP holders under their employment are able to meet the new minimum qualifying salary criteria to renew their EPs.</p>
<p>Changes to minimum qualifying salary for S Pass</p> <p>With effect from September 1st 2022, the minimum qualifying salary for S Pass applications and renewals will be increased progressively.</p> <p>With effect from September 1st 2022, the minimum qualifying salary for new applications is increased to S\$3,000 for candidates who are not in the financial services sector. This increases progressively with the age of the candidate up to S\$4,500 for candidates in their mid-forties and above. For candidates in the financial services sector, the minimum qualifying salary is increased to S\$3,500. This increases progressively with the age of the candidate up to S\$5,500 for candidates in the mid-forties and above. The foregoing new minimum qualifying salary will apply to renewals of S Pass with effect from September 1st 2023.</p> <p>With effect from September 1st 2023, the minimum qualifying salary for new applications is increased to at least S\$3,150 (amount to be finalized) for candidates who are not in the financial services sector. For candidates in the financial services sector, the minimum qualifying salary is increased to S\$3,650 (amount to be finalized). The foregoing new minimum qualifying</p>	<p>September 1st 2022 for all new S Pass applications.</p> <p>September 1st 2023 for all renewals of S Pass.</p>	<p>It is essential that affected businesses keep up to date with the new minimum qualifying salary criteria and check if S Pass holders under their employment are able to meet the new minimum qualifying salary criteria to renew their S Pass.</p>

<p>salary will apply to renewals of S Pass with effect from September 1st 2024.</p> <p>With effect from September 1st 2025, the minimum qualifying salary for new applications is increased to at least S\$3,300 (amount to be finalized) for candidates who are not in the financial services sector. For candidates in the financial services sector, the minimum qualifying salary is increased to S\$3,800 (amount to be finalized). The foregoing new minimum qualifying salary will apply to renewals of S Pass with effect from 1 September 2026.</p>		
<p>Reduction in S Pass quota</p> <p>The number of S Pass holders that an employer can hire is limited by a quota.</p> <p>With effect from 1 January 2023, the S Pass quota for the Manufacturing, Construction, Marine Shipyard and Process sectors will be reduced to 15% of the total workforce.</p> <p>There is no change to the S Pass quota for the Services sector.</p>	<p>January 1st 2023</p>	<p>It is essential that affected businesses keep up to date with the revised S Pass quota.</p>
<p>Introduction of Overseas Networks & Expertise Pass</p> <p>With effect from January 1st 2023, existing work pass holders and overseas candidates can apply for the Overseas Networks & Expertise Pass (“ONEPASS”) if they meet the eligibility criteria. The ONE Pass is a personalized pass tied to the individual which is valid for 5 years and is renewable for 5 years each time.</p>	<p>January 1st 2023</p>	<p>Individuals who are keen to apply for a ONEPASS should keep up to date with eligibility criteria for ONEPASS.</p>
<p>Increase in Central Provident Fund contribution rates for senior workers</p> <p>With effect from January 1st 2023, the Central Provident Fund (“CPF”) contribution rates for both the employer’s and employee’s share will be increased by 0.5% to 1.0 % for employees aged 55 to 70, depending on their age.</p> <p>Specifically, the employer’s contribution rate will increase by 0.5% for employees aged 55 to 60 and 65 to 70, and 1.0% for employees aged 60 to 65.</p> <p>The employee’s contribution rate will increase by 1% for employees aged 55 to 70.</p>	<p>January 1st 2023</p>	<p>It is essential that affected businesses keep up to date with the revised CPF contribution rates.</p>

<p>Expansion of Progressive Wage approach and coverage</p> <p>Employers are required to comply with the Progressive Wage Model wage and training requirements for specific sectors and the Occupational Progressive Wages and training requirements for specific occupations.</p> <p>With effect from March 1st 2023, the Sectoral Progressive Wages will be expanded to the food services sector and the Occupational Progressive Wages will be implemented to cover administrators and drivers.</p> <p>With effect from July 1st 2023, the Sectoral Progressive Wages will be expanded to waste management sector.</p> <p>The Progressive Wage Model continues to apply to the cleaning, security, landscape, lift and escalator and retail sectors.</p>	<p>March 1st 2023 for the food services sector and administrators and drivers.</p> <p>July 1st 2023 for the waste management sector.</p>	<p>It is essential that affected businesses keep up to date with the requirements of the Progressive Wage Model and Occupational Progressive Wages.</p>
<p>Changes to salary threshold for exemption from job advertising requirement</p> <p>Employers are required to first advertise the job on MyCareersFuture in accordance with prevailing advertising requirements and consider all candidates fairly before submitting any EP and S Pass applications, unless exempted.</p> <p>With effect from September 1st 2023, the salary threshold for exemption from the job advertising requirement will be increased to S\$22,500.</p>	<p>September 1st 2023</p>	<p>It is essential that affected businesses keep up to date with the changes to the salary threshold for exemption from the job advertising requirement.</p>
<p>Changes to S Pass levy rates</p> <p>An employer is required to pay a monthly levy for all S Pass holders.</p> <p>The monthly levy rate for Tier 1 S Pass holders will be increased to S\$550 with effect from September 1st 2023 and S\$650 with effect from September 1st 2025.</p> <p>There are no changes to the monthly levy rate for Tier 2 S Pass holders.</p>	<p>September 1st 2023</p>	<p>It is essential that affected businesses keep up to date with the S Pass levy rates for Tier 1 S Pass holders.</p>
<p>Changes to salary criteria for Personalised Employment Pass</p> <p>With effect from September 1st 2023, the fixed monthly salary criteria for existing EP holders and overseas foreign professionals will be increased to S\$22,500.</p>	<p>September 1st 2023</p>	<p>Individuals who are keen to apply for a PEP should keep up to date with the changes to the salary criteria for PEP.</p>

<p>In addition, the fixed salary criteria to continue keeping the Personalised Employment Pass (“PEP”) for PEPs that are approved after September 1st 2023 is increased to S\$270,000 per calendar year.</p>		
<p>Introduction of Complementarity Assessment Framework as an EP eligibility criteria</p> <p>With effect from September 1st 2023, in addition to meeting the qualifying salary, EP candidates must, unless exempted, pass a points-based Complementarity Assessment Framework (“COMPASS”), which evaluates applications and renewals based on a holistic set of individual and firm-related attributes.</p> <p>COMPASS will apply to renewals of EP with effect from September 1st 2024.</p>	<p>September 1st 2023 for all new EP applications.</p> <p>September 1st 2024 for all renewals of EP.</p>	<p>It is essential that affected businesses keep up to date with the COMPASS scoring framework and exemption criteria.</p>
<p>Introduction of 5-year EP for experienced tech professionals with skills in shortage</p> <p>With effect from September 2023, eligible experienced tech professionals with skills in shortage may apply for a longer EP with a 5-year duration.</p>	<p>September 2023</p>	<p>Businesses may wish to consider applying for a 5-year EP if the EP candidate is an eligible experienced tech professional with skills in shortage.</p>