

ANNEX C-3: FOREIGN WORKFORCE POLICIES

(I) Reduction in S Pass Sub-Dependency Ratio Ceiling (DRC)

The S Pass sub-DRC will be reduced¹ for the Manufacturing sector starting from 1 January 2022.

Table 1: DRC and Sub-DRC changes

Sector	Current	Changes
DRC		
Services	35%	No change
Manufacturing	60%	No change
Construction	87.5%	No change
Process	87.5%	No change
Marine Shipyard	77.8%	No change
S Pass sub-DRC		
Services	10%	No change
Manufacturing	20%	To be reduced to 18% from 1 Jan 2022, and to 15% from 1 Jan 2023 as announced at Budget 2021
Construction	18%	To be reduced to 15% on 1 Jan 2023 as previously announced at Budget 2020
Process		
Marine Shipyard		

¹ When a DRC or a sub-DRC cut is implemented, firms that have exceeded the revised DRC or sub-DRC will not be able to renew work passes of foreign workers or hire new foreign workers. However, for the foreign workers above the DRC/sub-DRC limits, firms can retain them until their work passes expire to avoid disrupting existing operations.

(II) Foreign Worker Levy (FWL) rates

FWL rates will remain unchanged for all sectors. The earlier-announced FWL rate increases for the Marine Shipyard and Process sectors will be deferred for another year.

Table 2: FWL rates

EP Pass Types	Tier	Dependency Ratio Ceiling (DRC)	Levy Rates (\$) (Higher-Skilled(R1)/Basic-Skilled(R2))			
			1 Jul 2020	1 Jul 2021	1 Jul 2022	
S Pass	Basic Tier	≤ 10%	330	330	To be announced in 2022	
	Tier 2	>10%*	650	650		
Services Work Permit holders (WPH)	Basic Tier	≤ 10%	300/450	300/450		
	Tier 2	10-25%	400/600	400/600		
	Tier 3	25-35%	600/800	600/800		
Manufacturing WPH	Basic Tier	≤ 25%	250/370	250/370		
	Tier 2	25-50%	350/470	350/470		
	Tier 3	50-60%	550/650	550/650		
Construction WPH	Man- Year Entitlement (MYE)	≤ 87.5%	300/700	300/700		300/700
	MYE-Waiver		600/950	600/950		600/950
Process WPH	MYE	≤ 87.5%	300/500 300/450	300/500 300/450	To be announced in 2022	
	MYE-Waiver		600/800 600/750	600/800 600/750		
Marine Shipyard WPH	Basic Tier	≤ 77.8%	350/500 300/400	350/500 300/400		

Notes:

1. Strike-outs refer to earlier-announced levy rates which were deferred.
2. *The S Pass sub-DRC is 20% in Manufacturing, 18% in Construction, Marine Shipyard and Process, and 10% in Services sector.

MORE INFORMATION

For more information, please visit (www.mom.gov.sg), or contact the MOM hotline at 6438 5122.