

ANNEX A - Overview of Changes from July 2010 to July 2012

Sector	Changes		
	Levy Tiers	Levy Rates	Others
S Pass	Dependency Ratio remains at 25% Introduce two levy tiers by Jul 2012: <ul style="list-style-type: none"> • Basic Tier = 0 - 15% • Tier 2 = 15 - 25% 	New levy rates from Jul 2012: <ul style="list-style-type: none"> • Basic Tier = \$150 • Tier 2 = \$250 	-
Manufacturing & Services	Dependency Ratio remains at 65% for Manufacturing and 50% for Services Adjust levy tiers by Jul 2012 for: <u>Manufacturing</u> <ul style="list-style-type: none"> • Basic Tier = 0 - 25% • Tier 2 = 25 – 50% • Tier 3 = 50 – 65% <u>Services</u> <ul style="list-style-type: none"> • Basic Tier = 0 – 15% • Tier 2 = 15 – 35% • Tier 3 = 35 – 50% 	New levy rates from Jul 2012: <ul style="list-style-type: none"> • Basic Tier = \$200 • Tier 2 = \$300 • Unskilled Work Permit holders at Basic Tier and Tier 2 will cost \$100 more 	-
Marine	Dependency Ratio remains at 83.3%	New levy rates from Jul 2012 <ul style="list-style-type: none"> • Skilled Work Permit holders = \$200 • Unskilled Work Permit holders = \$300 	-
Construction	Dependency Ratio remains at 87.5%	New levy rates from Jul 2012 for: <u>MYE</u> <ul style="list-style-type: none"> • \$200 (Higher Skilled) • \$300 (Basic Skilled) <u>MYE-waiver</u> <ul style="list-style-type: none"> • \$350 (Higher Skilled) • \$450 (Basic Skilled) 	Reduce MYE by 25%: <ul style="list-style-type: none"> • 5% - 1 Jul 2010 • 10% - 1 Jul 2011 • 10% - 1 Jul 2012
Process	Dependency Ratio remains at 87.5%	New levy rates from Jul 2012 for: <u>MYE</u> <ul style="list-style-type: none"> • \$200 (Skilled) • \$300 (Unskilled) <u>MYE-waiver</u> <ul style="list-style-type: none"> • \$350 (Skilled) • \$450 (Unskilled) 	Reduce MYE by 25%: <ul style="list-style-type: none"> • 5% - 1 Jul 2010 • 10% - 1 Jul 2011 • 10% - 1 Jul 2012

ANNEX B

S PASS

The S Pass is for mid-level skilled foreigners (e.g. technicians) with a fixed monthly salary of at least \$1,800 and holding appropriate educational qualifications (e.g. degree or diploma-level), skills (technical certificates), jobs, and work experience.

Changes to the S Pass Levy Rates & Tiers

Levy Tiers

Introduce a two-tier levy framework, while the Dependency Ratio remains unchanged at 25%

- From 1 Jul 2010:
 - Basic Tier = 0 – 20% of total workforce
 - Tier 2 = 20 – 25% of total workforce
- From 1 Jul 2012:
 - Basic Tier = 0 – 15% of total workforce
 - Tier 2 = 15% – 25% of total workforce

Levy Rates

Adjust levy rates every 6 months

- From 1 Jul 2010:
 - Basic Tier = Raise from \$50 to \$100
 - Tier 2 = Introduce at \$120
- From 1 Jul 2012:
 - Basic Tier = Gradually increase to reach \$150
 - Tier 2 = Gradually increase to reach \$250

Table 1: Changes to S Pass Levy Rates & Tiers

Current		1 Jul 2010		1 Jan 2011		1 Jul 2011		1 Jan 2012		1 Jul 2012	
Levy Tier	Monthly Levy Rate (\$)	Levy Tier	Monthly Levy Rate (\$)	Levy Tier	Monthly Levy Rate (\$)	Levy Tier	Monthly Levy Rate (\$)	Levy Tier	Monthly Levy Rate (\$)	Levy Tier	Monthly Levy Rate (\$)
Basic Tier 0 to 25% of total workforce	50	0 to 20% of total workforce	100	0 to 20% of total workforce	110	0 to 15% of total workforce	120	0 to 15% of total workforce	130	0 to 15% of total workforce	150
No Tier 2		Tier 2 20% to 25% of total workforce	120	Tier 2 20% to 25% of total workforce	150	Tier 2 15% to 25% of total workforce	180	Tier 2 15% to 25% of total workforce	210	Tier 2 15% to 25% of total workforce	250

WORK PERMIT (FOREIGN WORKER)

The Work Permit is for skilled or unskilled foreigners earning a fixed monthly salary of less than \$1,800.

Sectoral Changes:

Revisions to the foreign worker levy rates and levy tiers apply to these sectors:

- a) Manufacturing
- b) Services
- c) Marine
- d) Process²
- e) Construction

² Activities related to the construction, preventive and breakdown maintenance of plant equipment in the petroleum, petrochemicals, specialty chemicals or pharmaceutical industry.

a) Changes to Work Permit (Manufacturing) Levy Rates & Tiers

Levy Tiers

Introduce new levy tiers:

- From 1 Jul 2010:
 - Basic Tier = 0 – 35% of total workforce
 - Tier 2 = 35 – 55% of total workforce
 - Tier 3 = 55 – 65% of total workforce
- From 1 Jul 2012:
 - Basic Tier = 0 – 25% of total workforce
 - Tier 2 = 25% – 50% of total workforce
 - Tier 3 = 50% – 65% of total workforce

Levy Rates

Adjust levy rates for skilled Work Permit holders every 6 months

- From 1 Jul 2010:
 - Basic Tier = Raise from \$150 to \$160
 - Tier 2 = Raise from \$150 to \$180
- From 1 Jul 2012:
 - Basic Tier = Gradually increase to reach \$200
 - Tier 2 = Gradually increase to reach \$300
- Unskilled Work Permit holders at Basic Tier and Tier 2 will cost \$100 more than skilled workers.
- No change to levy rate for Tier 3.

Table 2: Work Permit (Manufacturing) Levy Rates & Tiers

Current			1 Jul 2010			1 Jan 2011			1 Jul 2011			1 Jan 2012			1 Jul 2012		
Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)	
	Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled
Basic Tier 0 - 40% of the total workforce	150	240	0 - 35% of total workforce	160	260	0 to 35% of total workforce	170	270	0 to 30% of total workforce	180	280	0 to 30% of total workforce	190	290	0 to 25% of total workforce	200	300
Tier 2 40% to 55% of the total workforce	150	280	35% to 55% of the total workforce	180	280	35% to 55% of the total workforce	210	310	30% to 50% of the total workforce	240	340	30% to 50% of the total workforce	270	370	25% to 50% of the total workforce	300	400
Tier 3 55% to 65% of total workforce	450		55% to 65% of the total workforce	No change to levy rate		55% to 65% of the total workforce	No change to levy rate		50% to 65% of the total workforce	No change to levy rate		50% to 65% of the total workforce	No change to levy rate		50% to 65% of the total workforce	No change to levy rate	

b) Changes to Work Permit (Services) Levy Rates & Tiers

Levy Tiers

Introduce new levy tiers:

- From 1 Jul 2010:
 - Basic Tier = 0 – 25% of total workforce
 - Tier 2 = 25 – 40% of total workforce
 - Tier 3 = 40 – 50% of total workforce
- From 1 Jul 2012:
 - Basic Tier = 0 – 15% of total workforce
 - Tier 2 = 15% – 35% of total workforce
 - Tier 3 = 35% – 50% of total workforce

Levy Rates

Adjust levy rates for skilled Work Permit holders every 6 months

- From 1 Jul 2010:
 - Basic Tier = Raise from \$150 to \$160
 - Tier 2 = Raise from \$280 to \$300
- From 1 Jul 2012:
 - Basic Tier = Gradually increase to reach \$200
 - Tier 2 = Gradually increase to reach \$300
- Unskilled Work Permit holders at Basic Tier and Tier 2 will cost \$100 more than skilled workers by Jul 2012
- No change to levy rate for Tier 3.

Table 3: Work Permit (Services) Levy Rates & Tiers

Current			1 Jul 2010			1 Jan 2011			1 Jul 2011			1 Jan 2012			1 Jul 2012		
Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)	
	Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled
Basic Tier 0 to 30% of the total workforce	150	240	0 to 25% of total workforce	160	260	0 to 25% of total workforce	170	270	0 to 20% of total workforce	180	280	0 to 20% of total workforce	190	290	0 to 15% of total workforce	200	300
Tier 2 30% to 40% of the total workforce	280		25% to 40% of the total workforce	300		25% to 40% of the total workforce	300		20% to 35% of the total workforce	300	400	20% to 35% of the total workforce	300	400	15% to 35% of the total workforce	300	400
Tier 3 40% to 50% of the total workforce	450		40% to 50% of the total workforce	450		40% to 50% of the total workforce	450		35% to 50% of the total workforce	450		35% to 50% of the total workforce	450		35% to 50% of the total workforce	450	

c) Changes to Work Permit (Marine) Levy Rates & Tiers

Levy Tiers

Retain single levy tier, dependency ratio remains at 83.3% (1 local full-time worker to 5 foreign workers).

Levy Rates

Adjust levy rates every 6 months

- From 1 Jul 2010:
 - Skilled Work Permit holders = Raise from \$150 to \$160
 - Unskilled Work Permit holders = Raise from \$295 to \$300
- From 1 Jul 2012:
 - Skilled Work Permit holders = Gradually increase to reach \$200
 - Unskilled Work Permit holders = Remains at \$300

Table 4: Work Permit (Marine) Levy Rates

Current			1 Jul 2010			1 Jan 2011			1 Jul 2011			1 Jan 2012			1 Jul 2012		
Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)	
	Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled
Basic Tier 1 local full-time worker to 5 foreign workers (83.3%)	150	295	No change to levy tier	160	300	No change to DR	170	300	No change to levy tier	180	300	No change to levy tier	190	300	No change to levy tier	200	300

d) Changes to Work Permit (Process) Levy Rates & Tiers

Levy Tiers

Retain single levy tier, dependency ratio remains at 87.5% (1 local full-time worker to 7 foreign workers).

Man-Year Entitlement³ (MYE) Reduction

- Reduce MYE by 25% over 3 phases:
 - 1 Jul 2010 = 5%
 - 1 Jul 2011 = 10%
 - 1 Jul 2012 = 10%

Levy Rates

Adjust levy rates every 12 months

- From 1 Jul 2010:
 - Within MYE for skilled Work Permit holders = Raise from \$150 to \$160
 - Within MYE for unskilled Work Permit holders = No change in levy rate
 - MYE-waiver = Raise from \$300 to \$310
- From 1 Jul 2011:
 - Within MYE for skilled Work Permit holders = Increase to reach \$180
 - Within MYE for unskilled Work Permit holders = Increase to reach \$300
 - MYE waiver for skilled Work Permit holders = Introduce at \$330
 - MYE waiver for unskilled Work Permit holders = Introduce at \$380
- From 1 Jul 2012:
 - Within MYE for skilled Work Permit holders = Increase to reach \$200
 - Within MYE for unskilled Work Permit holders = No change in levy rate
 - MYE waiver for skilled Work Permit holders = Increase to reach \$350

³ Man-Year Entitlement refers to the total number of foreign workers a main contractor is entitled to employ, based on the value of projects/contracts awarded by developers/owners. It is allocated in the form of the number of “man-years” required to complete a project (i.e. 1 man-year = 1-year employment under one Work Permit).

- MYE waiver for unskilled Work Permit holders = Increase to reach \$450

Table 5: Work Permit (Process) Levy Rates & Tiers

MYE	Levy Tier	Current		1 Jul 2010		1 Jan 2011		1 Jul 2011		1 Jan 2012		1 Jul 2012			
		Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)	
		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled
Basic Tier Within MYE	1 local full-time worker to 7	150	300	No change to levy tier	160	300	No change to levy tier	180	300	No change to levy tier	180	300	No change to levy tier	200	300
MYE waiver ⁴	foreign workers (87.5%)	300			310			310			330	380		330	380

⁴ Foreign workers would require at least 2 years experience and Skills Evaluation Certification (Knowledge) SEC(K) qualifications to be eligible for Man-Year Entitlement Waiver.

e) Changes to Work Permit (Construction) Levy Rates & Tiers

Levy Tiers

Retain single levy tier, dependency ratio remains at 87.5% (1 local full-time worker to 7 foreign workers).

Man-Year Entitlement⁵ (MYE) Reduction

- Reduce MYE by 25% over 3 phases:
 - 1 Jul 2010 = 5%
 - 1 Jul 2011 = 10%
 - 1 Jul 2012 = 10%

Introduction of Skills Framework in July 2011

- Unskilled Work Permit holders will be phased out
- Re-classify existing Work Permit holders with only Skills Evaluation Certification (Knowledge) [SEC(K)] as “Basic Skilled”
- Introduce “Higher Skilled” tier for Work Permit holders who possess the relevant certifications and experience⁶

Levy Rates

Adjust levy rates every 12 months

- From 1 Jul 2010:
 - Within MYE for skilled Work Permit holders = Raise from \$150 to \$160
 - Within MYE for unskilled Work Permit holders = No change in levy rate
 - MYE-waiver = Raise from \$300 to \$310
- From 1 Jul 2011:
 - Within MYE for Higher Skilled Work Permit holders = Introduce at \$180
 - Within MYE for Basic Skilled Work Permit holders = Introduce at \$230

⁵ Man-Year Entitlement refers to the total number of foreign workers a main contractor is entitled to employ, based on the value of projects/contracts awarded by developers/owners. It is allocated in the form of the number of “man-years” required to complete a project (i.e. 1 man-year = 1-year employment under one Work Permit).

⁶ Criteria for “Higher Skilled” would include a) CoreTrade (Construction Registration of Tradesmen) Registered (requires skills & minimum of 4 years’ experience) or b) have at least 4 years’ experience with additional/specialised skills certifications. Details of the list of additional/specialised skills certifications will be released at a later date.

- MYE waiver for Higher Skilled Work Permit holders = Introduce at \$330
- MYE waiver for Basic Skilled Work Permit holders = Introduce at \$380
- From 1 Jul 2012:
 - Within MYE for Higher Skilled Work Permit holders = Increase to reach \$200
 - Within MYE for Basic Skilled Work Permit holders = Increase to \$300
 - MYE waiver for Higher Skilled Work Permit holders = Increase to reach \$350
 - MYE waiver for Basic Skilled Work Permit holders = Increase to reach \$450

Table 6: Work Permit (Construction) Levy Rates & Tiers

MYE	Current		1 Jul 2010		1 Jan 2011		1 Jul 2011		1 Jan 2012		1 Jul 2012	
	Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)		Levy Tier	Monthly Levy Rate (\$)	
		Skilled	Unskilled		Skilled	Unskilled		Skilled	Unskilled		Higher Skilled	Basic Skilled
<u>Basic Tier</u> Within MYE	1 local full-time worker to 7 foreign workers (87.5%)	150	470	No change to levy tier	160	470	No change to levy tier	180	230	No change to levy tier	180	230
MYE waiver ⁷		300			310			310			330 380	
												350 450

⁷ Foreign workers would require at least 2 years experience and Skills Evaluation Certification (Knowledge) SEC(K) qualifications to be eligible for Man-Year Entitlement Waiver.