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SINGAPORE NEWSFLASH

THINKING GLOBALLY

Issue

May 2020

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→ Ending of Circuit Breaker

On 19 May 2020, the Multi-Ministry Taskforce announced that the current Circuit Breaker period will end on 1 June 2020. Furthermore, the Multi-Ministry Taskforce introduced a three-phase approach for the re-opening of Singapore. At the same date, the Ministry of Manpower has also updated the requirements for Safe Management Measures at workplaces after the Circuit Breaker period to guide businesses in the times ahead. To further cushion the impact of COVID-19 on Singapore, Deputy Prime Minister and Finance Minister Heng Swee Keat presented the third supplement budget, the Fortitude Budget in Parliament on 26 May 2020. Singapore will spend a further SGD 33 billion in the Fortitude Budget and a total of SGD 92.9 billion to mitigate the economic impact of COVID-19. Please find further details below:

PHASE 1: SAFE WORK

Phase 1 will be implemented from 2 June 2020 and will last for a few weeks subject to low community transmission rates and the situation in the dormitories. Besides the essential businesses which are already allowed to operate, further businesses with lower transmission risks from the manufacturing and service sector may resume operations. A list of eligible businesses may be found under the following link (<https://www.moh.gov.sg/docs/librariesprovider5/default-document-library/annex-a05667c7d43454b05b072239ceb582db1.pdf>).

Businesses which are not listed here would need to apply for an exemption to resume operations under <https://covid.gobusiness.gov.sg/>.

Even if offices are allowed to re-open, where tele-commuting is possible, businesses must apply for it. Employees should only enter the business premise where it is demonstrably required. Given the strict monitoring and surveillance, businesses should have a conservative approach and carefully consider which employee may enter the business premise. Employers must comply with the Safe Management Measures which we will cover below.

PHASE 2 AND 3: SAFE TRANSITION AND SAFE NATION

During Phase 2, more social and business activities will be allowed, subject to safety measures. In Phase 3, it will be the new normal until a vaccine is available. Further activities will be allowed in Phase 3.

Please find more information under the following link (<https://www.moh.gov.sg/news-highlights/details/end-of-circuit-breaker-phased-approach-to-resuming-activities-safely>).

→ Safe Management Measures

The Ministry of Manpower has released a very detailed guidance for businesses on how to navigate operations during Phase 1, after the Circuit Breaker. The Safe Management Measures require the following:

- a. Implementation of a system of Safe Management Measures at workplaces. These measures include a detailed monitoring plan to ensure compliance and the appointment of a Safe Management Officer(s) to implement, coordinate and monitor the Safe Management Measures systems implemented at workplaces;
- b. Reduction of physical interaction and ensuring safe distancing at workplace. Employers must ensure that tele-commuting is in place to the greatest extent possible. Socializing at workplaces is to be avoided and employers must further implement staggered working and break hours and shift or split team arrangements;
- c. Implementation of safe distancing at workplaces;
- d. Support contract tracing requirements by encouraging employees to download the TraceTogether app, by controlling access to the workplace with the SafeEntry visitor management system (<https://www.safeentry.gov.sg/>);
- e. Ensuring that employees wear masks at the workplace and observe good personal hygiene;
- f. Ensuring cleanliness of workplace premise, by taking care of regular cleaning and providing cleaning and disinfecting agents; and
- g. Implementing health checks and protocols to manage potential cases, such as temperature screening and declarations, following travel advisories, ensuring that employees do not clinic-hop and management of unwell and confirmed cases.

Please find more information under the following link (<https://www.mom.gov.sg/covid-19/requirements-for-safe-management-measures>).

→ Fortitude Budget

ENHANCEMENTS TO JOB SUPPORT SCHEME (JSS)

The JSS, which was originally intended to co-fund salaries of local employees (Singaporeans and permanent residents) for nine months will be extended to cover salaries in August 2020. For eligible businesses that are not allowed to resume operations, the salary support will be 75 per cent of the first SGD 4,600 of monthly salary until August 2020. For other eligible businesses, the support will be 25 per cent to 75 per cent, depending on the industry. Finally, COVID-19-affected sectors like aerospace, retail, marine and offshore, will receive an increased support from 25 per cent to 50 per cent or 75 per cent.

HIRING INCENTIVE

A salary support will be provided to employers which hire local workers (Singaporeans and permanent residents) of all ages who have completed an eligible traineeship and training programs. Salaries of eligible workers under 40 years are covered with 20 per cent of monthly salary for six months, capped at SGD 6,000 in total. Salaries of eligible workers aged 40 and above are covered with 40 per cent of monthly salary for six months, capped at SGD 12,000 in total. The incentive will be paid out in a single tranche after six months.

FOREIGN WORKER LEVY WAIVER AND REBATE

The foreign worker levy waiver and rebates will be extended by up to two months for businesses that are not allowed to resume business operations after the circuit breaker ends. The support amounts to a 100 per cent waiver and SGD 750 rebate in June 2020 and a 50 per cent waiver and SGD 375 rebate in July 2020.

DEFERMENT OF HIGHER CPF CONTRIBUTION RATES

The intended higher CPF contribution rates for older workers will be deferred by one year from 1 January 2021 to 1 January 2022.

Please find further information under the following link (https://www.singaporebudget.gov.sg/budget_2020/fortitude-budget).

CONTACT FOR MORE INFORMATION



Dr. Paul Weingarten
Partner
T +65 6238 6770
paul.weingarten@roedl.com

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Publisher:
Roedl & Partner Singapore Pte. Ltd.
1 Scotts Road, #21-10 Shaw Centre
Singapore 228208
Tel.: +65 6238 6770 | Fax: +65 6238 6630
www.roedl.com/singapore

Responsible for the content:
Dr. Paul Weingarten – paul.weingarten@roedl.com

Layout:
Dr. Paul Weingarten – paul.weingarten@roedl.com

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