

FURTHER REFINEMENTS TO THE WORK PASS APPLICATION PROCESS TO STRENGTHEN THE GLOBAL COMPETITIVENESS OF THE SINGAPORE WORKFORCE



On 8th April 2016, it was announced in Parliament that the Ministry of Manpower (MOM) will introduce new measures aimed at further strengthening the Singapore workforce.

Why This Matters

Companies who are assessed as “Triple Weak”, i.e. have a weak Singapore Core, weak commitment to develop the Singapore Core and weak economic link and social impact to Singapore will be placed on a watchlist and may have their work pass privileges curtailed.

Background

Currently, work pass applications are assessed based on “individual-related” criteria such as the applicant’s qualifications, work experience and salary.

The “Triple Weak” firm concept

Under the newly expanded process, assessment of

applications will also focus on “company-centric” factors such as:-

- How strong the Singaporean core is in the company;
- Whether a company with a weak Singaporean core has a commitment to nurture and to develop its local work force for the future; and
- How relevant the “double weak” company is to Singapore’s economy and society

Companies who are assessed as ‘Triple Weak’ will face closer scrutiny.

Watchlist for “Triple Weak” firms

Assessments will be carried out by the Tripartite Alliance for Fair Employment Practices (TAFEP) who will play a more proactive role in identifying “Triple Weak” firms. ‘Triple Weak’ companies will be placed on a watchlist.

If corrective actions are not taken, work pass privileges may be suspended. Renewal of existing employment passes and processing of new employment pass applications may also be affected.

On the other hand, “Triple Strong” companies who are regarded as critical to Singapore’s future development, including those related to the Smart Nation programme, advanced manufacturing and future services, will receive more support e.g. new Human Capital Partnership (HCP), which is aimed at nurturing promising local talents into regional and even global talents.

KPMG Note: Impact on Employers

Employer Consideration

Employer should consider the following actions:

- Ensure that their hiring practices are transparent and can withstand scrutiny in terms of giving fair consideration to Singaporean candidates
- Where there is a weak Singapore Core within the company, the employer should have well documented plans to develop its existing Singapore Core

Footnote :

For further information, see the “Speech by Mr Lim Swee Say, Minister for Manpower at Committee of Supply 2016” on 8 April 2016 at the webpage <http://www.mom.gov.sg/newsroom/speeches/2016/0408-speech-by-minister-at-cos-2016>

How we can help

As a committed tax advisor to our clients, we welcome any opportunity to discuss the relevance of the above matters to your business.

For further information or assistance, please contact your local GMS professional or one of the professionals listed on this page with the KPMG International member firm in Singapore.

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