



GMS Flash Alert

Immigration Edition

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Singapore – Rules Changing for Dependant Pass Holders Working in Singapore

From 1 May 2021, Dependant Pass (DP) holders seeking to be employed in Singapore will need to qualify for and obtain their own work passes such as an Employment Pass, S Pass, or Work Permit.¹ Currently, they have the option to remain on dependant status but obtain a Letter of Consent (LOC) in order to work.

WHY THIS MATTERS

The change comes as Singapore has imposed tougher conditions on the hiring of foreign individuals, including increased qualifying salaries, extended job posting duration, and restrictions on intra-corporate transferees.

While LOC holders are few in relation to the overall foreign employee population, there would be impact for dual-income expatriate families where a spouse is an LOC holder. This policy change can be a decision point as well for foreign individuals moving to Singapore for work, on whether to bring their spouse and children. It also has impact for certain employers, who may tap the pool of trailing spouses for part-time or substitute roles.

Further Details

- Existing LOCs will continue to be valid until they expire, but cannot be renewed. LOC holders will need to move to a suitable work pass, and meet the relevant requirements for salary. Importantly, for S Passes and Work Permits, the employers need to bear foreign worker levies and not breach the quota for the respective industry.
- The LOC holders impacted by the change are dependants (mostly spouses) of individuals who hold the following: Employment Pass, EntrePass, or Personalised Employment Pass, issued by the Ministry of Manpower (MOM). Dependants of Singapore citizens or permanent residents, who hold a Long Term Visit Pass (LTVP) or Long Term

Visit Pass Plus (LTVP+) issued by the Immigration & Checkpoints Authority (ICA), will still be able to hold Pre-arranged Letters of Consent (PLOC) which allow them to work.

Background

In a speech delivered on 3 March 2021,² Manpower Minister Josephine Teo explained that the change is intended to align the requirement with other foreigners working in Singapore. She also explained that the vast majority of DP holders do not work during their stay in Singapore. DP holders who are granted an LOC comprise only 1 percent of all work pass holders.

Exception for Business Owners

DP holders who own a business in Singapore that creates local employment will be eligible to continue holding an LOC to run their business. Likewise, DP holders who wish to start a new business can apply for an LOC.

They will need to meet the following criteria:

1. Be a sole proprietor, partner, or company director with at least 30-percent shareholding in the business; and
2. The business hires at least one Singapore citizen or permanent resident who earns at least the prevailing Local Qualifying Salary (currently SGD 1,400) and receives Central Provident Fund (CPF) contributions for at least three months.

Individuals who currently do not meet the above criteria can continue to run their businesses on their existing LOC until its expiry, or apply for a one-time LOC extension until 30 April 2022, when next renewing their DP. Subsequently, they are required to meet the above criteria to renew the LOC, or obtain an applicable work pass to keep working in Singapore.

The MOM will release further details on 1 May 2021.

KPMG NOTE

Employers will need to review their current LOC population, assess their current eligibility for work passes, and plan for the transition.

The MOM has stated that it will facilitate transitions from LOCs to work passes, by providing sufficient time for employers and LOC holders who wish to do so.

In order to facilitate the transition, the MOM will not be requiring employers to advertise on MyCareersFuture.sg for existing DP LOC holders applying for an EP or S Pass. However, after 1 May 2021, companies that wish to hire new DP holders are required to submit an EP, S Pass, or Work Permit application and the prevailing criteria will apply, including the job advertisement requirement.

For related coverage of Employment Pass and S Pass developments, see the following issues of *GMS Flash Alert*: [2020-391](#) (8 September 2021) and [2020-092](#) (21 March 2020).

FOOTNOTES:

- 1 See “Key Facts on Letter of Consent” on the MOM website: <https://www.mom.gov.sg/passes-and-permits/letter-of-consent/key-facts>.
- 2 See full speech on the MOM website: [0303 Speech by Minister for Manpower at MOM Committee of Supply 2021](#).

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