# KPMG GMS Flash Alert



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# Singapore - Updates on Work Arrangements for Dependents

As reported in our prior *GMS Flash Alert*,<sup>1</sup> Singapore's Ministry of Manpower (MOM) has changed the rules for Dependant Pass (DP) holders seeking employment in Singapore. Previously, DP holders had the option to keep their DP and secure an additional authorization, called a Letter of Consent (LOC), in order to work. However, from 1 May 2021, they have needed to obtain their own work pass – such as an Employment Pass (EP), S Pass, or Work Permit – and meet the applicable quota, levy, and eligibility requirements. DP holders who seek to start a new business and meet the qualifying criteria can apply for an LOC.<sup>2</sup>

### WHY THIS MATTERS

While the vast majority of DP holders move to Singapore to accompany the work pass holder and do not seek employment in the country, the updates by the MOM give additional guidance for those who want to work and the employers who wish to hire them.

With this policy update, it is important to note the differences of DP Work Permit holders as compared with those holding standard Work Permits. DP Work Permit holders are held to Work Permit industry standards such as foreign worker quota and levy, but as dependents of work pass holders, no rules for sourcing, medical examination, and security bond are applied.

## Additional Details on Arrangements for Dependent Family Members Seeking to Work

Following discussions with the business community, the MOM has provided additional details on the arrangements for dependent family members seeking to work in Singapore.

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- If a DP holder will be hired under an EP or S Pass, the criteria for salaries, education, and work experience will be the same as hiring any other EP or S Pass holder. The DP will be cancelled upon issuance of the EP or S Pass.
- If a DP holder will be hired under a Work Permit, the DP will not be cancelled. The validity period of the DP Work Permit will be tied to that of the main pass holder's work pass duration. Relevant sector quota and levies will apply. However, as dependents of valid pass holders, the DP Work Permit holder will not be subject to the usual source requirements,<sup>3</sup> six-monthly medical examination, security bond, and pregnancy restrictions.

#### **KPMG NOTE**

Employers should expect Singapore's foreign workforce policies to continue to be adjusted from time to time, to give fair consideration for Singaporean citizens and permanent residents, while remaining open and facilitative towards foreign nationals with knowledge and skills that complement local manpower.

### FOOTNOTES:

- 1 See our <u>GMS Flash Alert 2021-086</u> (16 March 2021).
- 2 See full details on MOM's website: Eligibility for LOC for DP holders who are business owners (mom.gov.sg) .

3 <u>As a rule, Work Permits (for semi-skilled foreign workers) may only be granted to nationals of certain countries,</u> depending on the business's sector (industry). Please refer to MOM's website: Sector-specific rules for Work Permit (mom.gov.sg).

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#### **Contact us**

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\* Please note that KPMG LLP (U.S.) does not offer immigration services or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

# The information contained in this newsletter was submitted by the KPMG International member firm in Singapore.

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