

More employers required to advertise on Jobs Bank; Increase in S Pass Minimum Qualifying Salary



The Ministry of Manpower (MOM) has on 5 March, widened the net for employers who will need to advertise on the Jobs Bank before they can submit an Employment Pass application. In addition, the minimum qualifying salary for the S Pass work visa for mid-level skilled staff will be increased progressively over the next 2 years.

These measures align with the MOM's objective of ensuring that the local workforce continues to be fairly considered for job opportunities.

Why this matters

More employers will be required to advertise vacancies on the Jobs Bank for at least 14 days before they can submit an Employment Pass application. Additionally, employers applying for a new S Pass need to ensure that they meet the minimum salary requirement when the new thresholds kick in.

Background

With the introduction of the Fair Consideration Framework¹ ("FCF") in 2013, the MOM has placed greater onus on employers to ensure that the local workforce (Singapore citizens and Permanent Residents) are considered fairly for job opportunities. Under the FCF, employers are currently required to advertise on the Jobs Bank for at least 14 days. Exemptions are however granted where the company has not more than 25 employees or the job pays a monthly salary of at least \$12,000.

For S Pass applications, the current qualifying monthly salary is \$2,200.

FCF changes to take effect from 1 July 2018

To ensure locals are receiving fair consideration and in keeping up with rising income, employers applying for an Employment Pass will be required to advertise on the Jobs Bank unless the company has not more than 10 employees or the job pays a monthly salary of at least \$15,000.

The new criteria applies to new Employment Pass applications lodged from 1 July 2018. Where there is a change in employer and the MOM requires a new Employment Pass application, the new criteria would apply.

Even where the employer is exempt, the MOM strongly encourages all employers to advertise on the Jobs Bank.

Changes to S Pass to take effect in two stages starting from 1 January 2019

- a) New S Pass applicants will need to earn a minimum salary of \$2,300 per month from 1 January 2019.
- b) New S Pass applicants will need to earn a minimum salary of \$2,400 per month from 1 January 2020.

The MOM has announced transitional measures as follows:

For existing S Pass holders whose passes expire:

- a) Before 1 January 2019: S Pass holders will be able to renew based on the existing criteria of \$2,200.
- b) Between 1 January 2019 and 30 June 2019 (both dates inclusive): S Pass holders will be able to renew, for a period of up to one year, based on the existing S Pass criteria of \$2,200.
- c) Before 1 January 2020: S Pass holders will be able to renew based on the new criteria of \$2,300.
- d) Between 1 January 2020 and 30 June 2020 (both dates inclusive): S Pass holders will be able to renew, for a period of up to one year, based on the new S Pass criteria of \$2,300.
- e) From 1 July 2020 onwards: S Pass holders will need to meet the new criteria of \$2,400.

Employers are encouraged to use the MOM's Self-Assessment Tool on its website to assess whether potential S Pass candidates meet the new salary criteria.

Triple Weak Employers and the Watchlist

The Manpower Minister has again highlighted that errant employers who were assessed as Triple Weak² have been placed on the government's watchlist. For employers who are on the watchlist, work pass applications are subject to greater scrutiny and processing time may take up to 3 months.

To date, 500 companies had been placed on the watchlist, and 150 companies were removed after improving their hiring practices. Those remaining on the watchlist have not shown improvement and have had their work pass privileges curtailed.

What do these changes mean to employers and applicants?

Employers need to:

- **Implement a robust recruitment process from interview to hire for each job vacancy and that locals are given a fair opportunity.**
- **Track applicants at each stage of the recruitment process and keep proper documentation** i.e. number of Singaporeans, Permanent Residents and foreigners interviewed, reasons why a Singapore candidate could not fill the position, etc. This applies to both recruitments via the Jobs Bank or other platforms.
- **Review manpower needs and roles** which may potentially require a foreigner to fill in light of the upcoming changes to the FCF.
- **Review S Pass holders eligible for renewal and lodge the renewal applications** before the changes take place and are assessed based on the new criteria.
- **Ensure that their new S Pass applicants are aware of the revised qualifying salary criteria** prior to accepting an employment offer or assignment to Singapore.
- **Plan in advance to meet business hiring needs** and allow for longer recruitment and Employment Pass application processing time.

Footnote:

¹ For further information, please refer to our earlier Immigration Alert issues on "[Singapore – Implementation of New Hiring and Employment Pass Application Rules Announced](#)" and "[Singapore – Hiring of Foreigners Gets Scrutiny, Better Opportunities for Singaporeans](#)"

² For more details on the Triple Weak concept, please refer to our Tax Alert on "[Further Refinements to the Work Pass Application Process to Strengthen the Global Competitiveness of the Singapore Workforce](#)"

How KPMG can help

As a committed immigration and 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 Personal Tax & Global Mobility Services professional or our colleagues listed on this page.



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