



BUDGET 2020

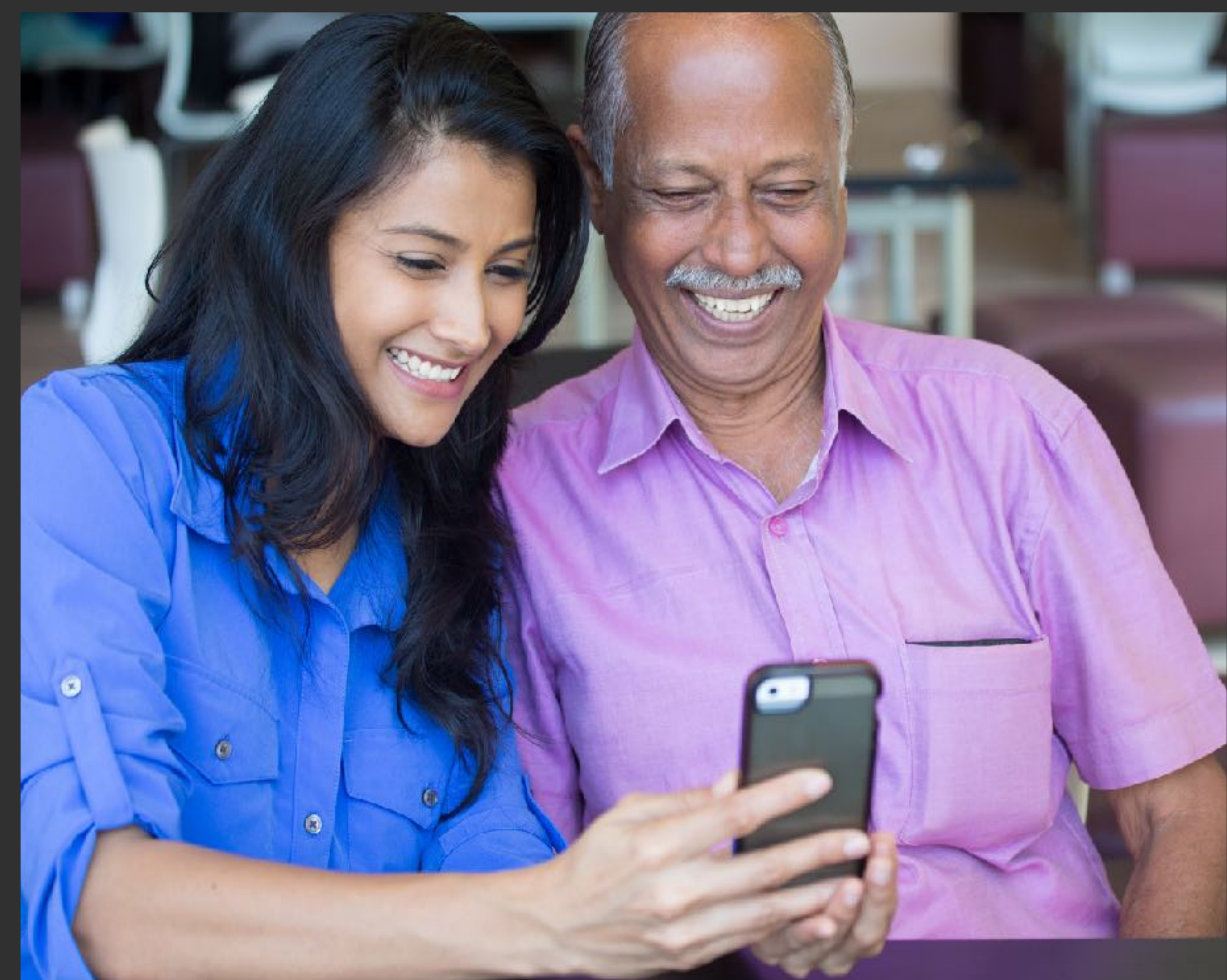


UNITY



SOLIDARITY

RESILIENCE



STEERING **SINGAPORE** THROUGH CHALLENGES

In these unprecedented times, we have launched our **Unity, Resilience, and Solidarity** Budgets to deploy

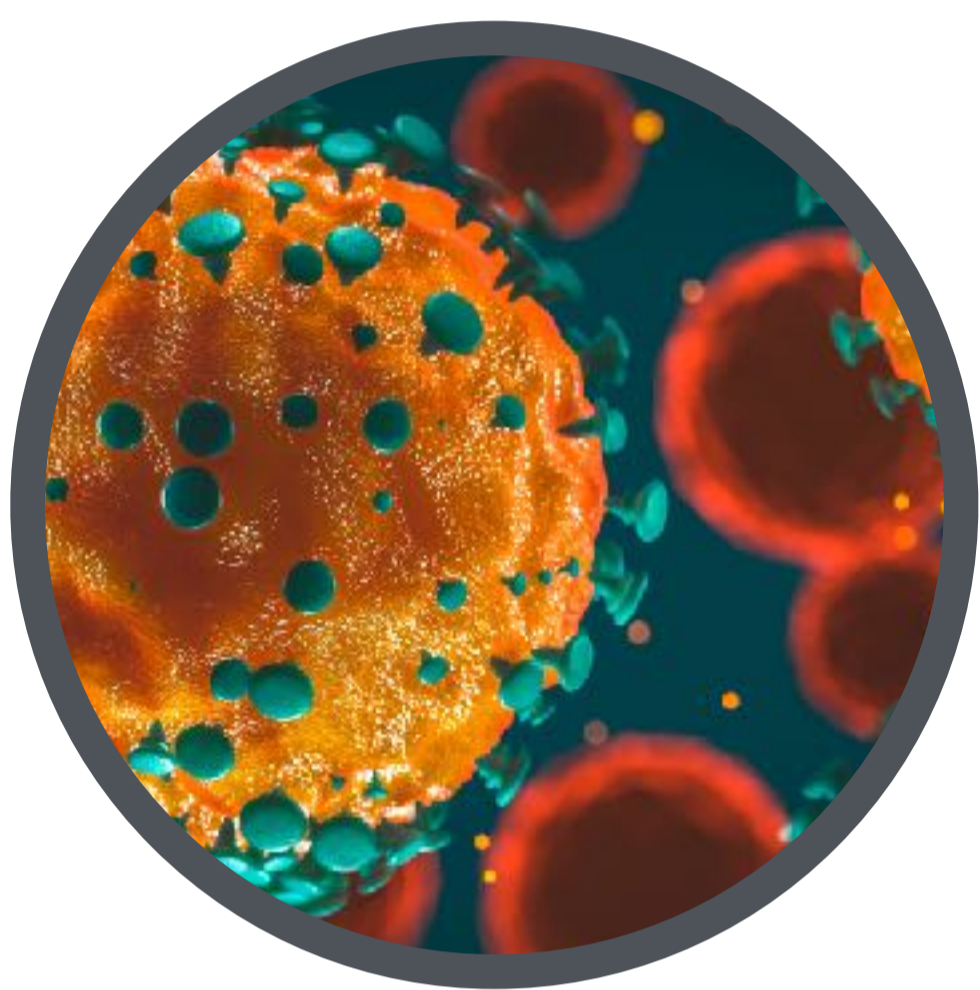
\$160 BILLION
(32% of GDP)

to see Singaporeans through and chart our future
with confidence.



STEERING **SINGAPORE** THROUGH CHALLENGES

Our Budgets are geared to:



Combat
COVID-19



Transform & Grow
our economy and businesses



Care
for our people



Secure
our future



Deploy
our strategic asset

COMBATING COVID-19

PROTECTING LIVELIHOODS

STABILISING BUSINESSES

SUPPORTING HOUSEHOLDS

BUILDING RESILIENCE

PROTECTING LIVELIHOODS

SAVING JOBS, SUPPORTING WAGES

Jobs Support Scheme (JSS)

For more information
on **JSS**, please scan
the QR code:



- To help employers retain workers, Government will **co-fund the first \$4,600 of gross monthly wages** paid to each local employee for **9 months**, with payouts in April, July, and October 2020
- For **April 2020**, Government will pay **75% on the first \$4,600** for every local employee
- For other qualifying months, Government will pay:
 - ❖ **75%** for aviation, accommodation, and tourism sectors
 - ❖ **50%** for the food services sector
 - ❖ **25%** for all other firms



PROTECTING LIVELIHOODS

SAVING JOBS, SUPPORTING WAGES

Support for Jobs, Wage Increases, and Skills

- **Adapt and Grow** redeployment programmes enhanced to support enterprises to retain and reskill local workers

Enhanced Wage Credit Scheme (WCS)

- Additional **\$500m** for employees' **wage increases**, on top of \$600m disbursed in March 2020¹

¹ WCS was enhanced in Budget 2020. The March 2020 payout was based on Budget 2019 parameters. A further WCS payout in June 2020 will comprise additional wage credits arising from Budget 2020 enhancements.



PROTECTING LIVELIHOODS

HELPING SELF-EMPLOYED PERSONS (SEPs)

SEP Income Relief Scheme (SIRS)

For more information on **SIRS**, please scan the QR code below

- Eligible SEPs will receive **three quarterly cash payouts of \$3,000 each** in May, July, and October 2020



SEP Training Support Scheme

- Extended till **end-2020** and set aside **\$48m** for the scheme
- Training allowance rate of **\$10 per hour**
- **Sustained support for 200,000** eligible **SEPs** to make use of downtime to train and upskill



PROTECTING LIVELIHOODS

CREATING JOB OPPORTUNITIES

SGUnited Traineeships

- **Co-fund wage costs** of companies offering traineeships to first-time jobseekers
- Support **up to 8,000 traineeships** in 2020 across both large and small enterprises

SGUnited Jobs Initiative

- Initiative to create about **10,000 jobs** over the next one year



PROTECTING LIVELIHOODS

HELPING WORKERS WITH LESS MEANS

COVID-19 Support Grant

- Cash grant of **\$800 a month for 3 months** for lower- and middle-income Singaporeans who lose their jobs due to COVID-19
- Grant will tide them over while they find new jobs or go for training
- Those who need immediate assistance in April 2020 can apply for the **Temporary Relief Fund**

Workfare Special Payment

- Cash payment of **\$3,000** for Singaporeans who received Workfare payments in 2019



STABILISING BUSINESSES

HELPING WITH CASH FLOW & COSTS

Property Tax Rebate for 2020

- **100% rebate** for qualifying commercial properties¹
- **60% rebate** for the Integrated Resorts
- **30% rebate** for other non-residential properties
- Laws to ensure property owners pass on **Property Tax rebate** to tenants

¹ Includes hotels, serviced apartments, tourist attractions, shops, and restaurants.

Rental Waivers

- **3 months' rental waiver** for stallholders at NEA hawker centres and markets
- **Up to 2 months' rental waiver** for commercial and other non-residential tenants in government properties



STABILISING BUSINESSES

HELPING WITH CASH FLOW & COSTS

Deferment of Income Tax Payments

- **Automatically defer income tax payments for 3 months**, for companies and self-employed persons (SEPs)
- ❖ **Companies**: tax due from April to June 2020 payable only from **July to September 2020**
- ❖ **SEPs**: pay income tax **from August 2020**, instead of May 2020

No Increase in Government Fees & Charges

- **No increase** in government fees and charges for **1 year**, from 1 April 2020 to 31 March 2021



STABILISING BUSINESSES

HELPING WITH CASH FLOW & COSTS

Cash Flow Support for Enterprises

- **Corporate Income Tax Rebate** for YA2020
 - ❖ 25% of tax payable, capped at \$15,000 per company
- **Waiver** of monthly **Foreign Worker Levy (FWL)** due in **April 2020**
- **FWL rebate** of **\$750** in **April 2020** from levies paid this year, for each Work Permit or S Pass holder



STABILISING BUSINESSES

HELPING WITH CREDIT

Enterprise Financing Scheme (EFS)

- Maximum loan quantum of **EFS-Trade Loan** of **\$10m**, with **90%** Government risk-share
- Maximum loan quantum of **EFS-SME Working Capital Loan** of **\$1m**, with **90%** Government risk-share

Loan Insurance Scheme

- **80%** subsidy for loan insurance premium

Temporary Bridging Loan Programme

- **Covers all sectors**; maximum supported loan of **\$5m**, with **90%** Government risk-share



STABILISING BUSINESSES

SECTOR-BASED SUPPORT

Aviation Sector

- Enhanced Jobs Support Scheme for **airlines, airport ground handlers, and airport operator** — Government will pay **75%** of the first \$4,600 of monthly salaries for **local workers**
- **\$350m** to provide **cost relief** for the sector and maintain a minimum level of connectivity

Tourism Sector

- Enhanced Jobs Support Scheme for **hotels, travel agents, tourist attractions, cruise operators, and MICE venue operators** — Government will pay **75%** of the first \$4,600 of monthly salaries for **local workers**
- **\$90m** for tourism recovery



STABILISING BUSINESSES

SECTOR-BASED SUPPORT

Land Transport Sector

- **Point-to-Point Support Package**
 - ✦ Special Relief Fund payments of **\$300 per vehicle per month** till September 2020
- **Private Bus Owners**
 - ✦ **1-year road tax rebate** and **6-month waiver** of season parking charges at government-owned parking facilities



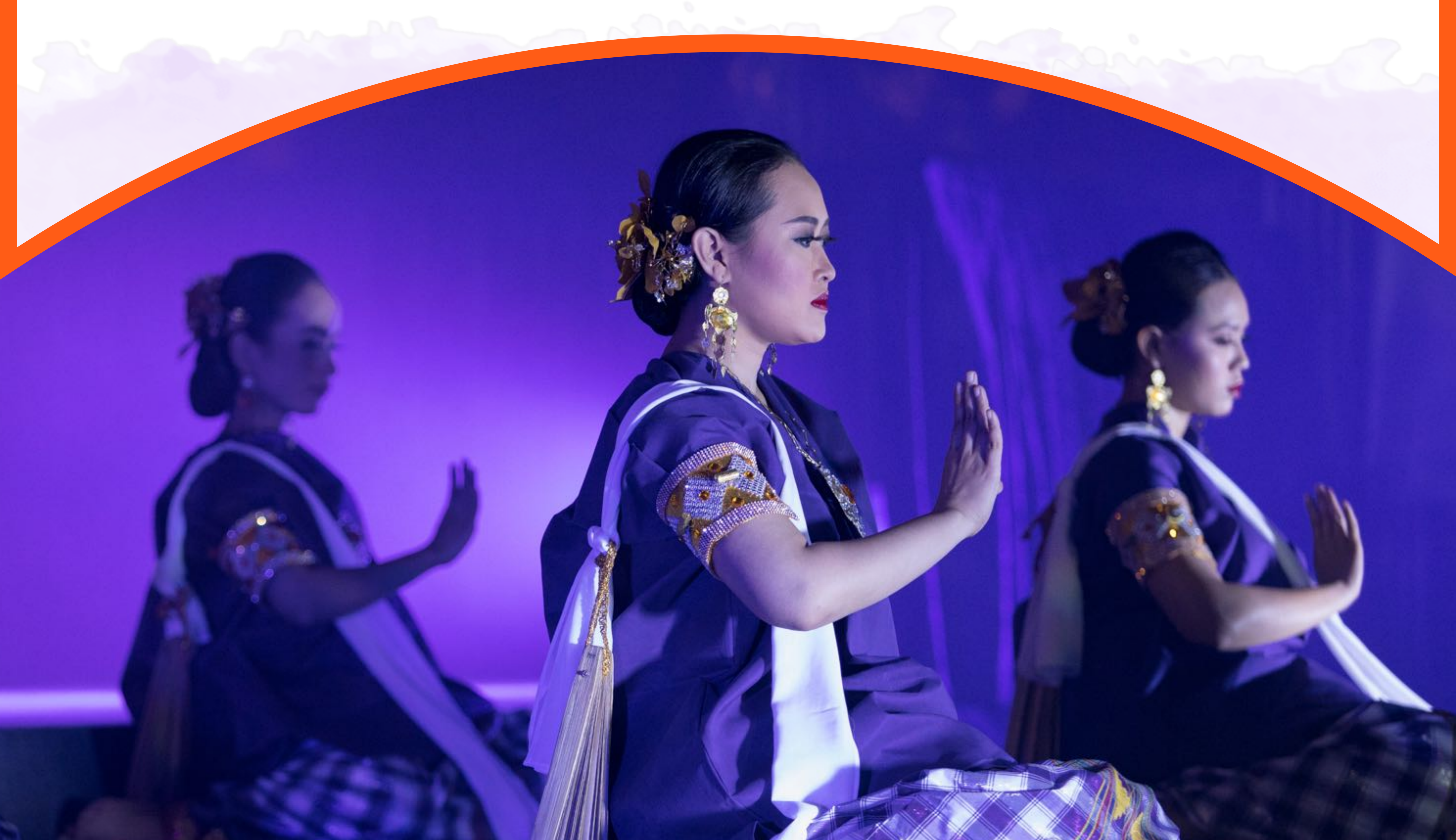
STABILISING BUSINESSES

SECTOR-BASED SUPPORT

Arts & Culture Sector

\$55m support package to:

- Provide **additional support** to major companies and leading arts groups
- Enhance the National Arts Council (NAC)'s Capability Development Scheme for the Arts, to **deepen skills** and support **professional development**
- Step up **digitalisation efforts**



SUPPORTING HOUSEHOLDS

CARE & SUPPORT PACKAGE

Cash Payments for Singaporeans

- **Solidarity Payment** of **\$600** in **April 2020** for all Singaporeans aged 21 and above in 2020 comprising:
 - ❖ \$300 additional cash payout
 - ❖ \$300 brought forward from Care & Support — Cash

Assessable Income for YA2019 ¹	Additional + Care & Support — Cash Payments	Total Cash Payment	Payment in April 2020	Payment in June 2020
Not more than \$28k	\$300 + \$900	\$1,200	\$600	\$600
Above \$28k to \$100k	\$300 + \$600	\$900	\$600	\$300
>\$100k or owns more than 1 property	\$300 + \$300	\$600	\$600	—

¹ YA: Year of Assessment



SUPPORTING HOUSEHOLDS

CARE & SUPPORT PACKAGE

Other Cash Payments

- **Cash payout** for each Singaporean parent with at least 1 Singaporean child aged 20 and below in 2020 of **\$300** in June 2020
- All Singaporeans aged 50 and above in 2020 will receive **\$100 in cash** instead of PAssion Card Top-up in June 2020
- Adult **Permanent Residents** with Singaporean parents, spouses or children, may apply for a one-off Solidarity Payment of \$300
- **Long-Term Visit Pass-Plus (LTVP+) holders**, who are spouses of Singaporeans, will also receive a one-off Solidarity Payment of \$300



SUPPORTING HOUSEHOLDS

CARE & SUPPORT PACKAGE

Additional GST Voucher – U-Save

- **Double** the regular U-Save for all eligible HDB households this year
- **Larger households receive more**, at a total of 2.5 times their regular U-Save this year

S&CC Rebate

- Eligible HDB households will receive rebates to cover **1.5 to 3.5 months** of S&CC this year



SUPPORTING HOUSEHOLDS

CARE & SUPPORT PACKAGE

Workfare Special Payment

- Cash payment of **\$3,000** for Singaporeans who received Workfare payments in 2019

Grocery Vouchers

- **\$300** in Grocery Vouchers for Singaporeans aged 21 and above living in 1- or 2-room HDB flats for 2020
- \$100 Grocery Voucher for 2021
- Total of **\$400** in 2020 and 2021



SUPPORTING HOUSEHOLDS

GREATER FLEXIBILITY ON FEES & LOANS

No Increase in Government Fees & Charges

- **No increase** in government fees and charges for **1 year**, from 1 April 2020 to 31 March 2021

Student Loan Repayment Relief

- **1-year suspension** of loan repayments and interest charges for Government student loan schemes

Suspend Late Mortgage Payment Charges

- All late payment charges on **HDB mortgage arrears** will be **suspended for 3 months**



STRENGTHENING SUPPORT NETWORKS

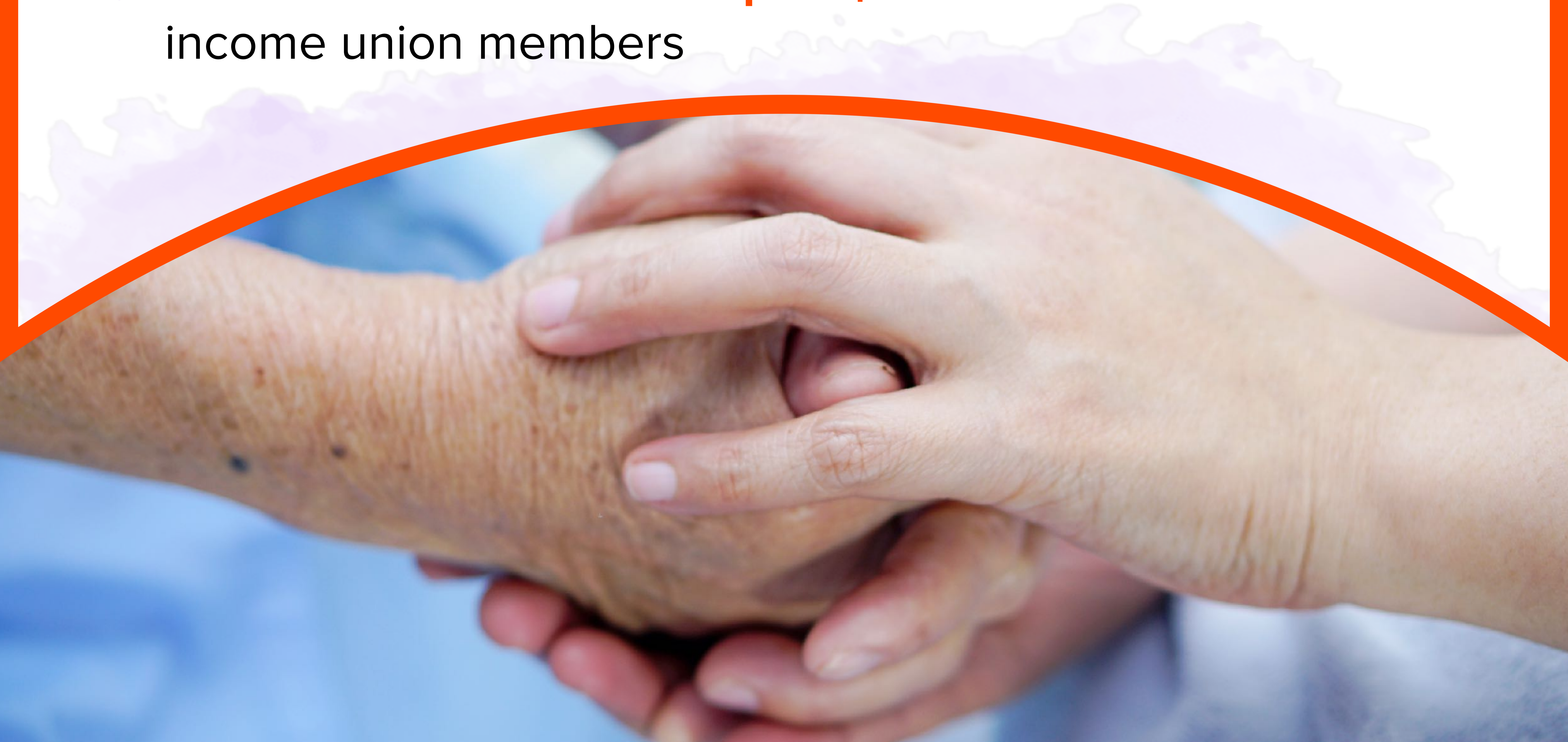
MORE FUNDING FOR COMMUNITY

More Community Help for Vulnerable Households

- **Self-Help Groups** to receive grants of **\$20m** over two years to enhance support for the community
- **Community Development Councils** to receive **\$75m** to address local needs

NTUC Care Fund (COVID-19)

- **\$25m** in joint funding from NTUC, unions, and the Government to **help workers and SEPs**
- Provide **one-off relief of up to \$300** to low- to middle-income union members



BUILDING RESILIENCE

DEEPENING CAPABILITIES

Enhanced Support for Enterprises

- SMEs Go Digital enhanced to **include more digital solutions** for business continuity
- **Up to 90% and 80% support** under Enterprise Development Grant (EDG) and Productivity Solutions Grant (PSG), respectively

Enhanced Training Support

- Higher course fee subsidies of **90%** and **up to \$10 hourly** absentee payroll
- Extended to companies in Land Transport, and Arts and Culture sectors till June 2020¹

¹ In addition to the aviation, tourism, food services, and retail trade sectors till June 2020.



BUILDING RESILIENCE

KEEPING OUR SOCIETY GOING

Broader Range of Safe Distancing Measures

- Help for employers and households implementing mandatory public health measures

Stepping Up Good Public Hygiene

- Boost **SG Clean** campaign to encourage higher levels of personal and public hygiene
- **Co-funding** for businesses undertaking **professional cleaning of premises** with a confirmed COVID-19 case



TRANSFORMATION & GROWTH

DRIVING GROWTH, TRANSFORMING ENTERPRISES

TRANSFORMATION & GROWTH STRATEGY

Enterprise **Grow** Package

- Launch **GoBusiness**, a single touchpoint for G2B transactions
- **SMEs Go Digital programme** expanded to drive greater adoption of digital technology
- **Market Readiness Assistance (MRA)** enhanced to help more enterprises enter new markets



DRIVING GROWTH, TRANSFORMING ENTERPRISES

TRANSFORMATION & GROWTH STRATEGY

Enterprise **Transform** Package

- New **Enterprise Leadership for Transformation Programme** to strengthen leadership capabilities in enterprises
- Scale up reach of **Enterprise Development Grant** to support more enterprises to transform



READYING OUR YOUTH FOR OPPORTUNITIES

MORE OVERSEAS EXPOSURE

- **“70-70” target** — 70% of local graduates from Institutes of Higher Learning to have overseas exposure, and 70% of the exposure to be in ASEAN, China or India
- New **Asia-Ready Exposure Programme** to support local youths’ visits to ASEAN, China, or India
- Enhance support for internships under **Global Ready Talent Programme**



BOOSTING EMPLOYMENT FOR ALL

NEXT BOUND OF **SKILLS** *future*

- **\$500 SkillsFuture Credit top-up** for adult Singaporeans aged 25 and above
- Support for firms to **train** and **redesign** jobs for workers
 - ❖ New **SkillsFuture Enterprise Credit** to support firms in workforce and enterprise transformation
 - ❖ Introduce job redesign support under **Productivity Solutions Grant**
 - ❖ More than double the capacity of **SkillsFuture Work-Study Programmes** to boost industry readiness in our students



BOOSTING EMPLOYMENT FOR ALL

SKILLS *future* MID-CAREER SUPPORT PACKAGE

- **Special \$500 SkillsFuture Credit top-up** for Singaporeans aged 40 to 60
- Increase capacity of **reskilling programmes** to support more local workers in their 40s and 50s in career transitions
- **Hiring incentive for employers** who hire local jobseekers aged 40 and above through reskilling programmes



BOOSTING EMPLOYMENT FOR ALL

SENIOR WORKER SUPPORT PACKAGE

- **Senior Employment Credit** to provide wage offsets for firms hiring Singaporean workers aged 55 and above
- **CPF Transition Offset** to offset half of the increase in employer CPF contribution rates for senior workers
- **Senior Worker Early Adopter Grant** to support enterprises that increase their Retirement and Re-employment Ages ahead of legislated changes
- **Part-Time Re-employment Grant** to encourage firms to formalise part-time re-employment provisions



CARING FOR OUR PEOPLE

NURTURING OUR YOUNG

ENHANCING PRE-SCHOOL SERVICES

Improving Access & Affordability

- **More** Government-supported **pre-school places**
- **Raise income ceiling** for the Additional Subsidy for pre-school and Kindergarten Fee Assistance Scheme (KiFAS) to **\$12,000 a month**
- **Higher pre-school subsidies** across all eligible income tiers
 - ✦ Low-income families pay **as little as \$3 per month** for full-day childcare at pre-schools operated by Anchor Operators



NURTURING OUR STUDENTS

FINANCIAL ASSISTANCE FOR EDUCATION

MOE Financial Assistance Scheme

- Annual pre-university bursary quantum raised from **\$900 to \$1,000**
- **Transport subsidies** increased for all students
- **School meals subsidies** increased for secondary school students

Bursaries for Higher Education

- **Higher bursaries** for students in polytechnics and autonomous universities
- **Increase of up to \$200 a year** in cash bursary quantum for full-time **ITE students**



HELPING SINGAPOREANS OWN HOMES

ACCESS TO QUALITY HOUSING

Enhanced CPF Housing Grant

- Up to **\$160,000** in housing grants for first-time flat-buyers
- Monthly household income ceiling raised for subsidised flats and executive condominiums to **\$14,000** and **\$16,000**, respectively



ASSURANCE FOR RETIREMENT

HELPING SENIORS SAVE MORE

Matched Retirement Savings Scheme

- Government will match CPF Retirement Account top-ups **dollar-for-dollar, up to an annual cap of \$600**, from 2021 to 2025
- For lower- to middle-income Singaporeans **aged 55 to 70** without the prevailing Basic Retirement Sum
- Eligible Singaporeans can receive **up to \$3,000 in matched savings** over the five years



ASSURANCE FOR RETIREMENT

GIVING SENIORS PEACE OF MIND

Silver Support Scheme

- **Increase** quarterly **cash payouts by 20%**, from 1 Jan 2021
- Cash payouts of **up to \$900 per quarter**
- Broaden eligibility criteria to benefit more seniors, with a **new payout tier**

Housing Monetisation

- Enhance the **Silver Housing Bonus** and **Lease Buyback Scheme**



BUILDING A CARING & INCLUSIVE SOCIETY

SUPPORT FOR THE COMMUNITY

- **Community Capability Trust** to support social service sector partners in capability- and capacity-building
- **Enabling Employment Credit** to provide wage offsets to firms hiring Singaporean persons with disabilities
- Fund top-ups
 - ❖ **\$750 million** top-up to ElderCare Fund
 - ❖ **\$500 million** top-up to ComCare Fund
 - ❖ **\$200 million** top-up to MediFund



HELPING SINGAPOREANS WITH GST INCREASE

ASSURANCE PACKAGE FOR GST

Package will be implemented when GST rate increase takes effect

- Cash payout of **\$700 to \$1,600** over **five years**, for adult Singaporeans
- Majority of Singaporeans households will receive offsets to cover at least **five years' worth of additional GST expenses**
- **Lower-income households will receive more**, with those in 1- to 3-room HDB flats receiving offsets of about **10 years' worth of additional GST expenses**



GST
will NOT
increase in
2021

SECURING OUR FUTURE

SUSTAINABLE SINGAPORE

STRENGTHENING FOOD SECURITY

A Robust, Multi-pronged Strategy

- Build up **national stockpile of essential health supplies**
- Combination of **local production, stockpiling, and diversification** of import sources
- **Increase buffer stocks** of essential food commodities
- **“30 by 30” vision** to grow enough food in Singapore to meet 30% of our nutritional needs by 2030



SUSTAINABLE SINGAPORE

PREPARING FOR CLIMATE CHANGE

- **\$5 billion** for **Coastal and Flood Protection Fund** to protect against rising sea levels
- **Reduce carbon emissions**
- Develop a **low-carbon economy**
- **SG Eco Fund** for community partnerships on sustainability initiatives



SUSTAINABLE SINGAPORE

GREEN SINGAPORE, CLEAN ENERGY

- **HDB Green Towns Programme**

- ❖ All HDB towns to be eco-friendly by **2030**

- Incentives for lower-income households to buy **energy-efficient household appliances**

- **Cleaner-Energy Transportation**

- ❖ Expand charging infrastructure for **electric vehicles (EV)**

- ❖ **EV Early Adoption Incentive** — up to **45% rebate** on the Additional Registration Fee, **capped at \$20,000**



SINGAPORE TOGETHER

GOVERNMENT-CITIZEN PARTNERSHIPS

- Extend and top-up **Our Singapore Fund** for more ground-up initiatives
- Invest in expanding and scaling up **partnerships**
- Identify **major societal challenges** to galvanise good ideas and solutions from the public



DEPLOYING OUR STRATEGIC ASSET

RESERVES: OUR STRATEGIC ASSET

THE TWO-KEY SYSTEM

The Elected President & Our Past Reserves

- Our reserves are our strategic asset. They serve as our bulwark against **extraordinary shocks and crises**
- The **Elected President** is the custodian of our Past Reserves
 - ❖ In the **Global Financial Crisis of 2008/9**, President S.R. Nathan approved a draw of **\$4.9b** for the first time
- The **COVID-19** pandemic is a **crisis of exceptional nature** — the kind for which we have accumulated Past Reserves



RESERVES: OUR STRATEGIC ASSET

OUR BULWARK AGAINST CRISES

Funding Extraordinary Measures for COVID-19

- The President has given **in-principle support** to draw **up to \$21 billion** from Past Reserves to **combat COVID-19**
- ❖ Job Support Scheme, Self-Employed Person Income Relief Scheme, Temporary Bridging Loan Programme, Enterprise Financing Scheme, Aviation Support Package

BECAUSE WE HAVE **PREPARED WELL**
WE HAVE THE **RESOURCES**
TO MEET THIS CRISIS **WITH CONFIDENCE**



