

March, 30th 2020

## Singapore – UPDATE – New Resilience Budget

On 26<sup>th</sup> March 2020, the Government announced a Supplementary Budget 2020 known as the Resilience Budget which further and addresses the rapidly evolving COVID-19 situation and the impact on Singapore's economy and society.

In addition to the initial commitment of \$6.4 billion in the Unity Budget towards the Stabilisation and Support Package, the Government dedicated \$48 billion in this Resilience Budget to support workers, stabilise businesses and build resilience.

The Resilience Budget focuses on three key areas:

- save jobs, support workers, and protect livelihoods.
- help enterprises overcome immediate challenges.
- strengthen economic and social resilience so that we can emerge intact and stronger.

### **Saving Jobs, Supporting Workers, Protecting Livelihoods**

Over one-third of the Resilience Budget is dedicated to this.

- **Supporting workers, protecting livelihood**
  - **Jobs Support Scheme (JSS)**
    - Government will pay **25% of monthly wages** for every local worker in employment, capped at \$4,600, for 9 months
    - Higher support **for sectors more affected by COVID-19, of up to 75%**
  - **Wage Credit Scheme**
    - Additional payout to be brought forward from Sep to **end-June 2020**
  - **COVID-19 Support Grant**
    - Cash grant of \$800 per month for 3 months, for low- and middle-income Singaporeans who lost their jobs due to COVID-19
  - **Temporary Relief Fund**
    - Provides immediate **financial assistance** for families whose livelihoods were affected by COVID-19
  - **NTUC Care Fund (COVID-19)**

- Provides one-off relief of up to \$300 for eligible union members
- **SGUnited Jobs**
  - **About 10,000 jobs** available over the next year, to facilitate employment for jobseekers
- **SGUnited Traineeships**
  - Supports employers in **providing traineeships to fresh graduates** entering the labour force, to help boost employability for new graduates
- **SkillsFuture Credit**
  - **Advance use of SkillsFuture Credit** top-ups for select courses, from 1 Apr 2020
- **Supporting self-employed**
  - **SEP Income Relief Scheme (SIRS)**
    - Eligible Singaporean SEPs will receive **\$1,000 a month, for 9 months**
  - **SEP Training Support Scheme**
    - Extended **till end-2020**
    - From 1 May 2020, **training allowance enhanced to \$10/hour**
  - **Point-to-Point Support Package**
    - **Special Relief Fund payments** of \$300 per vehicle per month for taxi hirers and private hire car drivers, **till end Sep 2020**
  - **Enhanced Workfare Special Payment**
    - Benefits about **50,000 lower-income SEPs**
- **Supporting families**
  - **Enhanced Care & Support Package**
    - Triple the current payout under **Care & Support – Cash** for all Singaporeans aged 21 and above in 2020, to **\$300, \$600 and \$900**
    - Parents, with at least one Singaporean child aged 20 and below in 2020, will each receive **an additional \$300**
    - All Singaporeans aged 50 and above in 2020 will receive their **\$100 PAssion Card** Top-up in cash
    - Singaporeans living in 1-room and 2-room HDB flats will receive **\$300 in Grocery Vouchers** in 2020, and \$100 in 2021
    - Enhanced **Workfare Special Payment** to \$3,000 in cash in 2020, for Singaporeans who received Workfare payments for work done in 2019 •

Double the grant to **Self-Help Groups to \$20m** over 2020 and 2021, and increase the grant to Community Development Councils to \$75m in 2020

- **Greater Flexibility on Government Fees and Loans**
  - **Suspend student loan repayments and interest charges** for 1 year, from 1 Jun 2020 to 31 May 2021, for graduates of Autonomous Universities and polytechnics
  - **Suspend late payment charges on HDB mortgage** arrears for 3 months
- **Supporting Businesses**
  - **Enhanced Property Tax Rebate for 2020**
    - Increased Property Tax Rebate for qualifying commercial properties, such as hotels, serviced apartments, tourist attractions, shops and restaurants, from 15% or 30%, to 100%
    - Increased Property Tax Rebate for Integrated Resorts from 10% to 60%
    - All other non-residential properties will receive a new 30% Property Tax Rebate
  - **Enhanced Rental Waivers**
    - Increased rental waiver from 1 month to 3 months, for stallholders in hawker centres managed by NEA or NEA-appointed operators
    - Increased rental waiver from 0.5 months to 2 months, for eligible commercial tenants of Government agencies
    - All other non-residential tenants of Government agencies receive 0.5 months of rental waiver
  - **Cash Flow Support**
    - Expanded Temporary Bridging Loan Programme to all sectors, and increased maximum supported loan to \$5m
    - Increased maximum loan quantum to \$1m under Enterprise Financing Scheme – SME Working Capital Loan
    - Increased maximum loan quantum to \$10m and Government risk-share to 80%, under Enterprise Financing Scheme – Trade Loan • Increased subsidies for loan insurance premiums to 80% under Loan Insurance Scheme
  - **Support for Capability Development**
    - Raised maximum support levels for Productivity Solutions Grant and Enterprise Development Grant to 80% and 90% respectively, till end-2020
    - Enhanced SMEs Go Digital to support both ready-to-adopt and advanced digital solutions that reduce face-to-face contact
    - Extended the enhanced training support, comprising higher course fee subsidies and absentee payroll support, to more sectors and till end-2020

- **Resilience Building**
  - Enhanced government matching ratio under SG Together Enhancing Enterprise Resilience (STEER) programme
  - Introduced funding support for specialised cleaning under SG Clean
- **Support for specific sectors**
  - **Aviation Sector**
    - **Enhanced Jobs Support Scheme** for businesses whose activities are based principally in the aviation sector, with a total of **75% wage offset**, capped at a monthly wage of \$4,600
    - **\$350m Enhanced Aviation Support Package** to provide cost relief for airlines, ground handlers and the cargo industry, as well as to maintain a minimum level of connectivity
  - **Tourism Sector**
    - **Enhanced Jobs Support Scheme** for hotels, travel agencies, tourist attractions, cruise terminals and operators, and Meetings, Incentives, Conferences, Exhibitions (MICE) venue operators, with a total of **75% wage offset**, capped at a monthly wage of \$4,600
    - **\$90m for tourism recovery efforts** to help the sector rebound strongly when the time is right
  - **Food Services**
    - for food & beverages firms, with a total of 50% wage offset, capped at a monthly wage of \$4,600
  - **Land Transport Sector**
    - Special Relief Fund payments of **\$300 per vehicle per month for taxi hirers and Private Hire Car (PHC) drivers, till end-Sep 2020**
    - **Additional support for taxi and PHC operators**
    - **1-year road tax rebate** and **6-month waiver of parking charges** at government-managed parking facilities for private bus owners, to defray operating cost
  - **Arts & Culture Sector**
    - **\$55m support package** to safeguard jobs and retain capabilities, support capability development, and step up digitisation efforts

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