

Global Immigration alert

March 2025

Singapore

Singapore announces changes to its foreign workforce policy

Executive summary

On 6 March 2025, Singapore's Ministry of Manpower (MOM) announced several updates to the country's foreign workforce policy. These changes include increased salary requirements for S Pass holders, simplification of the Work Permit regulations and expansion of the Manpower for Strategic Economic Priorities (M-SEP) Scheme.

S Pass salary and levy requirements

The following changes will be implemented for S Passes:

- **Salary requirements:** The increased salary thresholds below will impact all new applications submitted on or after 1 September 2025 and renewal applications for passes that expire on or after 1 September 2026:
 - **Foreign nationals working in non-financial services sectors.** Individuals in this category aged 23 or below must earn a monthly salary of at least SGD 3,300 (up from SGD 3,150). The salary requirement will increase progressively with the applicant's age, to a minimum monthly threshold of SGD 4,800 (up from SGD 4,650) for those aged 45 or above.
 - **Foreign nationals working in the financial services sector.** Individuals in this category aged 23 or below must earn a monthly salary of at least SGD 3,800 (up from SGD 3,650). The salary requirement will increase progressively with the applicant's age, to a minimum monthly threshold of SGD 5,650 (same as the current threshold) for those aged 45 or above.
- **Levy requirements:** Effective 1 September 2025, the S Pass Tier 1 levy will increase to SGD 650 per month (up from SGD 550). The levy is a fee imposed on companies in Singapore that sponsor S Pass holders. The upcoming increase in the Tier 1 rate will make the S Pass levy consistent across all S Pass holders and business sectors.

These increases to the salary requirements and levy rate comprise the final step of the planned three-step progressive increase in these rates that the MOM had announced in 2022. The first and second increases went into effect on 1 September 2022 and 1 September 2023, respectively.

Work Permit framework

The following changes have been announced:

- **Non-Traditional Sources (NTS):**
 - **Expanded list of countries:** Effective 1 June 2025, Bhutan, Cambodia and Laos will be added to the NTS list. Currently, the NTS list includes Bangladesh, India, Myanmar, the Philippines, Sri Lanka and Thailand. Singaporean companies operating in certain sectors can hire nationals of these countries for a restricted set of occupations listed in the [NTS Occupation List](#).
 - **Expanded Occupation List:** Effective 1 September 2025, the NTS Occupation List will be expanded to include cooks (which will replace the previous occupation "cooks in Indian restaurants"), heavy vehicle drivers and manufacturing operators.
- **Increased duration of employment:** Effective 1 July 2025, Work Permit holders will no longer be subject to a cap on the duration of their employment in Singapore.
- **Age limits:** Effective 1 July 2025, individuals will be able to apply for a Work Permit until they are 61 years old (up from 50 years for non-Malaysian applicants and 58 years for Malaysian applicants). In addition, Work Permit holders will be able to retain their Work Permits until they are 63 years old (i.e., the local retirement age), up from 60 years old.



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M-SEP Scheme

Under M-SEP, qualifying companies may temporarily obtain additional S Pass and Work Permit quotas of up to 5% of their base workforce headcount (over and above the general quota), enabling them to temporarily hire more foreign nationals to address urgent manpower needs. Eligible firms can obtain this additional quota, subject to a cap of 50 extra workers per firm, if they fulfill the following conditions:

- Condition 1: Participate in key economic priorities
- Condition 2: Commit to hiring or training local employees under listed pathways

Effective 1 May 2025, the MOM and the Ministry for Trade and Industry (MTI) will implement the following enhancements to the M-SEP scheme:

- The support period for firms will be increased from two to three years.
- Under Condition 2, a new pathway will be added for firms that commit to sending local employees on overseas exposure trips or to attend leadership programs abroad.
- The list of eligible programs under Conditions 1 and 2 will be expanded.

Impact on employers

The changes to the Work Permit framework will enable employers to hire and retain skilled and experienced workers, particularly those impacted by the increased S Pass salary requirements. Employers may also benefit from the upcoming changes to the M-SEP scheme.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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EYG no. 002089-25Gbl

2101-3682263
ED None

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