Workplace Fairness | Foreign Manpower | Workforce Support

Singapore Employment Law: 2025 in Review and What's Next for 2026 and Beyond

2025 was an active year for Singapore's labour market, featuring landmark legislation on workplace fairness, expanded protections for platform workers, and a sustained push to build a more inclusive and resilient workforce. Building on the reforms in 2025, Budget 2026 and the Ministry of Manpower (**MOM**) Committee of Supply debates subsequently introduced a wave of changes to foreign workforce policy, Central Provident Fund (**CPF**) contributions, and business support schemes.

This update reviews key employment law developments in 2025 and significant measures announced in the first half of 2026. We also survey the Singapore employment horizon for 2026 and beyond, and suggest practical recommendations for employers to prepare for the changes ahead.

KEY EMPLOYMENT LAW DEVELOPMENTS IN 2025

Workplace Fairness Act 2025

The Workplace Fairness Act 2025 (**WFA**) was passed by Parliament in 2025 and will protect jobseekers and employees against adverse employment decisions based on five categories of protected characteristics: (a) age; (b) nationality; (c) sex, marital status, pregnancy status, and caregiving responsibilities; (d) race, religion and language ability; and (e) disability and mental health conditions. The WFA is expected to come into force at the end of 2027 and will generally apply to employers with at least 25 employees. Please refer to our client update here on the Workplace Fairness (Dispute Resolution) Bill (**Bill**), which sets out key features of the Bill.

Platform Workers Act 2024

The Platform Workers Act 2024 came into force on 1 January 2025, providing new protections for platform workers covering CPF contributions, work injury compensation, and representation rights.

CPF Contributions

From 1 January 2025, CPF contribution rates for employees aged above 55 to 60 increased from 31% to 32.5%, and from 22% to 23.5% for those above 60 to 65. The CPF ordinary wage ceiling was also raised on 1 January 2025, moving from S$6,800 to S$7,400.

Parental Leave Entitlements

From 1 April 2025, paternity leave increased from two to four weeks and a new shared parental leave (**SPL**) scheme was introduced. Under the new SPL scheme, eligible birth and adoptive parents are entitled to six weeks of paid parental leave (from 1 April 2025) and 10 weeks of paid parental leave (from 1 April

2026) in addition to existing government-paid maternity, paternity and adoption leave. Fathers on paternity leave and adoptive parents on adoption leave are now also protected from dismissal.

Foreign Manpower

Increase in Employment Pass and S Pass minimum qualifying salaries

From 1 January 2025, the minimum monthly qualifying salary for new Employment Pass (**EP**) applications was raised as follows:

- For the non-financial services sector: from S$5,000 to S$5,600 (increases progressively with age from age 23, up to $10,700 at age 45 and above); and
- For the financial services sector: from S$5,500 to S$6,200 (increases progressively with age from age 23, up to $11,800 at age 45 and above).

From 1 September 2025, the minimum monthly qualifying salary for new S Pass applications was raised as follows:

- For the non-financial services sector: from S$3,150 to S$3,300 (increases progressively with age from age 23, up to $4,800 at age 45 and above); and
- For the financial services sector: from S$3,650 to S$3,800 (increases progressively with age from age 23, up to $5,650 at age 45 and above).

Enhancements to work permit framework

From 1 July 2025, the maximum employment period restriction for Work Permit (**WP**) holders was lifted, and the maximum employment age of WP holders was raised from age 60 to 63. The age limit for new WP applicants was raised to age 61. Further, the Non-Traditional Sources (**NTS**) list was expanded to include Bhutan, Cambodia and Laos from 1 June 2025, and the NTS Occupation List was expanded to include cooks, heavy vehicle drivers, and manufacturing operator roles from 1 September 2025.

Workplace Safety and Compensation

The list of occupational diseases was updated with effect from 1 December 2025. Compensation limits under the Work Injury Compensation Act 2019 were raised for accidents on or after 1 November 2025, increasing the minimum and maximum compensation for death to S$91,000 and S$269,000 respectively, and for permanent or current total incapacity to S$116,000 and S$346,000 respectively, with medical treatment caps also adjusted to S$53,000.

Employment Act 1968

In August 2025, the Government announced a review of the Employment Act 1968 (**EA**). A Tripartite Workgroup comprising union, employer and government representatives was formed to recommend updates to the EA in light of changes in labour force profile, forms of work, and the economic landscape.

KEY EMPLOYMENT LAW DEVELOPMENTS IN 1H2026

The Government announced Budget 2026 on 12 February 2026, with the MOM Committee of Supply debates following thereafter, introducing significant measures affecting employers and the workforce.

Foreign Manpower

New ONE Pass (AI and Tech)

From 2027, MOM will introduce a new track under the Overseas Networks & Expertise Pass (**ONE Pass**) to attract pinnacle talent in artificial intelligence (**AI**) and technology (**ONE Pass (AI and Tech)**). The ONE Pass (AI and Tech) will replace the existing Tech.Pass and will allow applicants to meet the ONE Pass fixed monthly salary criterion through cash and non-cash components.

Increase in EP and S Pass minimum qualifying salaries

The minimum qualifying salaries for EP and S Pass holders will increase further with effect from 1 January 2027 for new applications and from 1 January 2028 for renewals.

- **EP**

Sector	Current (New applications and renewals)	For new applications from 1 Jan 2027, and for renewal of passes expiring from 1 Jan 2028
All sectors (except financial services)	S$5,600 (increases progressively with age from age 23, up to $10,700 at age 45 and above)	S$6,000 (increases progressively with age from age 23, up to $11,500 at age 45 and above)
Financial services sector	S$6,200 (increases progressively with age from age 23, up to $11,800 at age 45 and above)	S$6,600 (increases progressively with age from age 23, up to $12,700 at age 45 and above)

- **S Pass**

Sector	For renewal of passes expiring from 1 Sep 2025 to 31 Aug 2026	For new applications submitted from 1 Sep 2025 / renewals of passes expiring from 1 Sep 2026	For new applications submitted from 1 Jan 2027, and renewal of passes expiring from 1 Jan 2028
All sectors (except financial services)	$3,150 (increases progressively with age from age 23, up to $4,650 at age 45 and above)	$3,300 (increases progressively with age from age 23, up to $4,800 at age 45 and above)	$3,600 (increases progressively with age from age 23, up to $5,100 at age 45 and above)

Sector	For renewal of passes expiring from 1 Sep 2025 to 31 Aug 2026	For new applications submitted from 1 Sep 2025 / renewals of passes expiring from 1 Sep 2026	For new applications submitted from 1 Jan 2027, and renewal of passes expiring from 1 Jan 2028
Financial services sector	$3,650 (increases progressively with age from age 23, up to $5,650 at age 45 and above)	$3,800 (increases progressively with age from age 23, up to $5,650 at age 45 and above)	$4,000 (increases progressively with age from age 23, up to $5,650 at age 45 and above)

Changes to work permit framework

(a) **Levy changes:** From 2028: (a) the monthly levy for Basic-Skilled (R2) workers in the marine shipyard sector will increase from S$500 to S$600 while the R2 levies for the process sector will increase from $450 to $600 for foreign workers from Malaysia, North Asian sources and China, and from $650 to $800 for workers from non-traditional sources; and (b) the services and manufacturing sectors will see a simplified tiered levy structure, merging the current Tier 1 and Tier 2 categories.

(b) **Expansion of NTS Occupation List:** Currently, companies in the manufacturing and services sectors[1] can hire WP holders from NTS countries/regions[2] for a restricted set of occupations.[3] From September 2026, MOM will add eight occupations in the food services, social services and air transportation sectors to the NTS Occupation List.

Increase in Retirement and Re-employment Ages

From 1 July 2026, the statutory retirement age will increase from 63 to 64 and the re-employment age from 68 to 69, as part of the Government's plans to gradually raise the retirement and re-employment ages to 65 and 70 respectively by 2030.

Senior Worker CPF Contribution Rates

To progressively align senior worker CPF rates with those applicable to younger workers by around 2030, CPF contribution rates for senior workers aged above 55 to 65 will increase from 1 January 2027, as set out in the table below.

Age Band	Current Total Rate (%)	New Total Rate (%)	New Employer Rate (%)	New Employee Rate (%)
Above 55 to 60	34.0	35.5 (+1.5)	16.5 (+0.5)	19.0 (+1.0)
Above 60 to 65	25.0	26.0 (+1.0)	13.0 (+0.5)	13.0 (+0.5)

[1] For completeness, please note that companies in the manufacturing and services sectors can also hire WP holders from Malaysia, the People's Republic of China and North Asian sources (i.e., Hong Kong, Macau, South Korea and Taiwan) generally.
[2] The NTS countries/regions are Bangladesh, Bhutan, Cambodia, India, Laos, Myanmar, Philippines, Sri Lanka and Thailand.
[3] Companies that wish to hire NTS WP holders on the NTS Occupation List are subject to 8% NTS sub-dependency ratio ceiling and are required to pay WP holders employed under the NTS Occupation List a fixed monthly salary of at least S$2,000.

Local Qualifying Salary Increase

The local qualifying salary (**LQS**) determines the number of local employees counted towards a company's WP and S Pass quota entitlements. Companies that hire foreign workers are also required to pay all local employees not covered under any relevant progressive wage model wages amounting to at least the LQS. From 1 July 2026, the LQS will increase from $1,600 to $1,800 for full-time employees.

Support for Businesses

The Government has enhanced the Progressive Wage Credit Scheme (**PWCS**): (a) co-funding support for 2026 has been increased from 20% to 30%; (b) PWCS has been extended until 2028; and (c) the minimum wage increase to qualify for PWCS will be increased from S$100 to S$200 from 2027. To support employers who employ senior workers, both the Senior Employment Credit and the Part-Time Re-Employment Grant have also been extended to 2027.

THE EMPLOYMENT HORIZON

The legislative developments and policy measures discussed above set the stage for a dynamic employment landscape in 2026 and beyond. This section sets out an overview of the key changes anticipated in 2026 to 2028 as well as practical steps that employers can take in preparation.

No.	Change / Development	Date	Practical Steps for Employers
2026			
1.	**CPF contributions** • CPF contribution rates for the senior workforce increased, with total rates moving from 32.5% to 34% for those above 55 to 60, and from 23.5% to 25% for those above 60 to 65. • Ordinary wage ceiling increased from S$7,400 to S$8,000.	1 Jan 2026	Update workforce budgets to account for increased CPF contributions.
2.	**Foreign manpower** • EP qualifying monthly salary of S$5,600 (for sectors other than the financial services sector) and S$6,200 (for the financial services sector) also apply to EP renewal applications.	1 Jan 2026	For employees on S Passes approaching renewal, employers should consider whether salary adjustments will be required to meet the new thresholds.
	• S Pass qualifying monthly salary of S$3,300 (for sectors other than the financial services sector) and S$3,800 (for the financial services sector) also apply to S Pass renewal applications.	1 Sep 2026	
	• Addition of eight occupations in the food services, social services and air transportation sectors to the NTS Occupation List.	Sep 2026	

No.	Change / Development	Date	Practical Steps for Employers
3.	**Parental leave** SPL entitlement has been increased to 10 weeks. Combined with maternity and paternity leave, total family paid leave now reaches 30 weeks.	1 Apr 2026	Review parental leave policies to reflect the enhanced SPL scheme and update workforce rosters accordingly.
4.	**Retirement and re-employment ages** The statutory retirement age will increase to 64 and the re-employment age to 69.	1 Jul 2026	Review retirement and re-employment age policies, taking into account the Government's plans to raise the retirement age to 65 years old and re-employment age to 70 by 2030.
5.	**LQS** The LQS will increase from S$1,600 to S$1,800 for full-time employees.	1 Jul 2026	Review local employee salaries to ensure compliance with LQS threshold.
6.	**EA** The Tripartite Workgroup will consult and engage stakeholders, with recommendations anticipated to be submitted to the Government by second half of 2026.	Second half of 2026	Monitor further announcements from MOM.
7.	**Tripartite guidelines on restraint of trade clauses** Initially announced in 2024, these guidelines are expected to establish norms and guide employers on the inclusion and drafting of restrictive covenant provisions in employment contracts. The release of these guidelines is still pending.	Pending	Monitor further announcements from MOM.
2027			
8.	**CPF contribution rates** CPF contribution rates for senior workers aged above 55 to 65 will increase.	1 Jan 2027	Update workforce budgets to account for increased CPF contributions for senior workers.
9.	**Foreign manpower** • Introduction of new ONE Pass (AI and Tech). • EP minimum qualifying monthly salary for new applications will increase to S$6,000 (for sectors other than the financial services sector) and S$6,600 (for the financial services sector). • S Pass minimum qualifying monthly salary for new applications will increase to S$3,600 (for sectors other than the financial services sector) and S$4,000 (for the financial services sector).	1 Jan 2027 1 Jan 2027 1 Jan 2027	Conduct a review of current EP and S Pass holders to assess the impact of qualifying salary increases.
10.	**WFA** The WFA will come into force and will generally apply to employers with at least 25 employees.	End 2027	Review and update human resource policies and practices (such as hiring and promotions) and ensure that their internal procedures are up to date and HR personnel adequately prepared. Implement internal grievance handling procedures to properly document complaints, conduct fair inquiries, maintain confidentiality, and keep affected employees informed. Familiarise and train in-house teams in relation to potential Employment Claim Tribunal proceedings.

No.	Change / Development	Date	Practical Steps for Employers
2028			
11.	**Foreign manpower** • EP minimum qualifying monthly salary of S$6,000 (for sectors other than the financial services sector) and S$6,600 (for the financial services sector) will apply to EP renewals.	1 Jan 2028	For employees on EPs and S Passes approaching renewal in 2028, employers should consider whether salary adjustments will be required to meet the new thresholds. Workforce planning should account for the higher costs of foreign manpower in 2028 due to higher levies and minimum qualifying salaries.
	• S Pass minimum qualifying monthly salary of S$3,600 (for sectors other than the financial services sector) and S$4,000 (for the financial services sector) will apply to S Pass renewals.	1 Jan 2028	
	• Increase in foreign worker levy for marine shipyard and process sectors.	2028	
	• Simplification of levy structure for services and manufacturing sectors, with the merging of the current Tier 1 and Tier 2 categories.	2028	

The measures taking effect from 2026 onwards will require a coordinated response across human resources, legal, finance and operations. Employers would be well advised to now prepare by engaging key internal stakeholders to develop implementation strategies and realistic timelines aligned with these forthcoming changes. At the same time, employers should maintain sufficient flexibility in their policies and processes to adapt as the Singapore employment landscape continues to evolve.

If you would like information and/or assistance on the above or any other area of law, you may wish to contact the Partner at WongPartnership whom you normally work with or any of the following Partners:

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