

The background image for the top half of the page is a photograph of a modern, multi-story building with a distinctive architectural style. The building features a series of horizontal, cantilevered balconies that are densely covered with lush green plants, creating a vertical garden effect. The sky is a clear, bright blue with a few wispy clouds. The overall scene is well-lit, suggesting a sunny day.

PREPARING FOR A POST COVID-19 ERA

Ministerial Statement, 17 August 2020

PREPARING FOR A POST COVID-19 ERA

Since the introduction of the Fortitude Budget in May, the COVID-19 pandemic has continued to spread across the world at an unrelenting pace. The resulting economic impact has been severe and the global economy is projected to contract by 5% this year.

While the situation in Singapore is pretty much under control, Singaporeans are still anxious over issues concerning their job security as businesses continue to grapple with the crisis.

The Deputy Prime Minister, Coordinating Minister for Economic Policies, and Finance Minister, Mr. Heng Swee Kiat, announced that there would be an extension of the current support schemes, as well as added new measures to continue supporting businesses and workers that have been affected by the COVID-19 pandemic.

We are pleased to present you with these exclusive highlights to assist you in understanding the various initiatives that were unveiled.

JOB SUPPORT SCHEME (JSS)

Enhancement/Changes

- The JSS will be extended by up to 7 months to cover wages paid up to March 2021.
- Support levels for wages have been tapered based on the projected recovery of the various sectors.

The payout details are as follows:

Month of Payout	Payout based on wages paid in	Tier 1	Tier 2	Tier 3
Mar 2021	Sep - Dec 2020	50%	30%	10%
Jun 2021	Jan - Mar 2021			10%/0%*

Tier 1	<ul style="list-style-type: none"> - Aerospace, aviation and tourism (until March 2021). - Built environment (will only receive Tier 2 support for November 2020 to March 2021 wages). - Firms that are not allowed to resume on-site operations until such time that they are allowed to resume operations or March 2021, whichever is earlier.
Tier 2	<ul style="list-style-type: none"> - Arts and entertainment, food services, marine and offshore, and retail.
Tier 3	<ul style="list-style-type: none"> - All other sectors. <p>* JSS support would cease after December 2020 for selected Tier 3 sectors (Financial Services, Information and Communications Technology and Media, Biomedical Sciences, Precision Engineering, Electronics, Online Retail, and Supermarkets).</p>

JOBS GROWTH INITIATIVE (JGI)

To support hiring in growing sectors, the Government has set aside S\$1 billion to support firms in increasing their headcount of local workers over the next six months.

- The Government will co-pay up to 25% of the salaries of all new local hires for 1 year, subject to a cap.
- For those aged 40 and above, the co-payment will be up to 50%.

The Ministry of Manpower will provide further details by end August 2020.

FURTHER SUPPORT FOR THE AVIATION SECTOR

The Enhanced Aviation Support Package, which was introduced during the Resilience Budget, will be extended up to March 2021 to provide cost relief for our airlines, ground handlers, cargo agents, and airport tenants.

The temporary redeployment programme will be scaled-up for workers in the aviation sector who cannot work now. Around 4,000 new jobs, including permanent roles, will be created in the healthcare sector. More jobs in other areas of need will also be created.

FURTHER SUPPORT FOR OTHER SECTORS

For the tourism industry, S\$320 million worth of tourism credits that Singaporeans can use has been set aside to encourage local tourism. Further details will be provided by the Ministry of Trade and Industry (MTI) in September 2020.

Businesses in the arts and culture, and sports sectors will also receive further support to preserve core capabilities, in consultation with the Ministry of Culture, Community and Youth.

For a small number of businesses that are not able to resume business due to safe management considerations, the Government will help them transition to other activities or ease their exit. More details will be provided by the MTI.

STARTUP SG FOUNDER PROGRAMME

To continue to spur innovation and entrepreneurship, up to S\$150 million will be set aside to enhance the Startup SG Founder Programme in phases. Further details can be found at <https://www.startupsg.net/programmes/4894/startup-sg-founder>.

If you wish to understand more on the above, please contact:

Tax Measures

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