FACTSHEET ON ENHANCEMENTS TO WORKFARE

The Government will be enhancing the two Workfare schemes: The Workfare Income Supplement (WIS) Scheme and the Workfare Training Support (WTS) Scheme.

Both schemes will be revised to take into account changes in income levels, so that Workfare will continue to help the bottom 20th income percentile of workers, with some support also provided to those up to the 30th income percentile. The changes to WIS will also provide a more direct and timely reward for work effort, and ensure that WIS continues to provide a meaningful level of support for eligible workers. The WTS criteria will be simplified to allow more workers to benefit from training incentives and funding.

The changes will apply to work done from 1 January 2017 onwards.

Changes to WIS Scheme

(A) Qualifying income ceiling increased from \$1,900/month to \$2,000/month¹

The qualifying income ceiling will be increased to take into account changes in income levels.

(B) Higher WIS payouts of up to \$3,600

Eligible employees may receive up to \$3,600 per year in WIS payouts, compared to \$3,500 today. As an illustration, workers earning \$1,000 to \$1,600 a month will receive increases in payouts of \$100 to \$500 a year, depending on their age and income. Older workers will continue to receive higher payouts than younger workers. The payouts for self-employed persons will remain at two-thirds of the employee WIS payout, and will therefore be correspondingly increased. Details are in <u>Table 1</u> below.

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¹ Based on the average monthly income for the months worked in the past 12 months.

<u>Table 1: Maximum WIS payout per year for different age groups, for work done</u> from 1 Jan 2017

Age Group (years)	2017 Maximum WIS payout per year (Employees)	2017 Maximum WIS payout per year (Self Employed)
35 to 44	\$1,500	\$1,000
45 to 54	\$2,200	\$1,467
55 to 59	\$2,900	\$1,933
60 and above	\$3,600	\$2,400

(C) Pay WIS for each month of $work^2$, on a monthly basis

To provide more direct reward for work effort, WIS will be paid for each month of work³. Individuals who work for more months will receive more WIS.

From 1 January 2017, WIS payments will also be made on a monthly basis instead of quarterly under the current system. This will provide workers with a more timely reward for work. For example, workers who work in January and February can expect to receive monthly WIS payments in end March (for work done in January) and in end April (for work done in February). Under the current quarterly payment arrangement, they would have received payments for work done in January and February only in June.

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² The amount of payout for each month of work will be computed based on income earned in that month. The month's income should not exceed \$2,000.

³ Currently, one has to work 2 out of 3 consecutive months, 3 out of 6 consecutive months, or 6 months in a calendar year to be eligible for WIS.

(D) Increase WIS payments to CPF Medisave and Special Accounts

To boost the healthcare and retirement adequacy of WIS recipients, the increase in the CPF component of WIS will be channelled equally into their CPF Medisave and Special Accounts.

About 460,000 Singaporeans are expected to receive \$770 million in WIS for work done in 2017.

Changes to WTS Scheme

The changes to the WTS scheme are as follows:

(A) Qualifying income ceiling extended from \$1,900/month to \$2,000/month

The WTS qualifying income ceiling will be raised in line with the increase in the WIS qualifying income ceiling.

(B) WTS extended to younger persons with disabilities (PWDs)

Currently, only eligible PWDs aged 35 years old and above can tap on the WTS Scheme. WTS will be extended to eligible PWDs aged 13 years old and above to support them in upgrading their skills through training.

(C) WTS Training Commitment Award (TCA) extended to more workers

The WTS TCA currently provides cash awards of up to \$400 per year to WIS recipients who undergo sustained training under WTS.

The TCA eligibility criteria will be extended to include all Singaporean workers aged 35 years old and above, and PWDs aged 13 years old and above, earning up to \$2,000 per month.

More information

Members of the public may visit www.workfare.gov.sg for more information, or contact CPF Board on the WIS scheme and the Singapore Workforce Development Agency on the WTS scheme.

Workfare Income Supplement (WIS) Scheme

Email: member@cpf.gov.sg

Hotline: 1800-222-6622

Workfare Training Support (WTS) Scheme

Feedback Portal: https://portal.wda.gov.sg/feedback

Hotline: 1800 -536-8333