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MINISTRY OF MANPOWER

OVERVIEW

Mission Statement

To achieve a globally competitive workforce and great workplace, for a cohesive society and a secure economic future for all Singaporeans.

FY2006 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	Change over FY2005	
	TOTAL EXPENDITURE	\$213,197,164	\$220,605,540	\$212,835,540	\$249,848,130	\$37,012,590	17.4%
	Main Estimates						
	OPERATING EXPENDITURE	\$161,055,803	\$173,058,340	\$173,058,340	\$202,512,230	\$29,453,890	17.0%
	<i>RUNNING COSTS</i>	\$139,054,901	\$161,245,970	\$157,138,080	\$195,350,230	\$38,212,150	24.3%
1000	Expenditure on Manpower	\$64,770,968	\$77,063,300	\$71,359,000	\$84,221,900	\$12,862,900	18.0%
1200	Political Appointments	949,200	1,012,300	1,056,000	1,056,000	0	0.0
1500	Permanent Staff	62,902,954	75,310,600	69,498,500	82,437,000	12,938,500	18.6
1600	Temporary, Daily-Rated & Other Manpower	918,814	740,400	804,500	728,900	-75,600	-9.4
2000	Other Operating Expenditure	\$50,674,919	\$56,461,470	\$58,429,580	\$70,157,430	\$11,727,850	20.1%
2100	Supplies & Services	42,469,487	43,575,730	48,109,870	56,278,900	8,169,030	17.0
2300	Manpower Development	2,629,531	3,995,930	3,419,820	6,512,620	3,092,800	90.4
2400	Public Relations & Exercises	2,889,329	6,931,640	3,957,910	5,033,200	1,075,290	27.2
2700	Equipment	2,233,562	1,755,020	2,658,400	2,014,810	-643,590	-24.2
2800	Financial Claims & Legal Expenses	453,010	203,150	283,580	317,900	34,320	12.1
3000	Operating Grant	\$23,609,014	\$27,721,200	\$27,349,500	\$40,970,900	\$13,621,400	49.8%
3100	Operating Grant to Statutory Boards	23,609,014	27,721,200	27,349,500	40,970,900	13,621,400	49.8
	<i>TRANSFERS</i>	\$22,000,903	\$11,812,370	\$15,920,260	\$7,162,000	-\$8,758,260	-55.0%
3500	Social Transfers	99,465	3,033,000	900,000	4,000,000	3,100,000	344.4
3600	Subventions	21,901,438	8,779,370	15,020,260	3,162,000	-11,858,260	-78.9

Expenditure Estimates by Object Class - continued

Code	Object Class	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	Change over FY2005	
Development Estimates							
DEVELOPMENT EXPENDITURE		\$52,141,361	\$47,547,200	\$39,777,200	\$47,335,900	\$7,558,700	19.0%
5100	Direct Development	9,269,051	16,250,200	8,328,300	42,186,900	33,858,600	406.5
5200	Capital Grant	42,872,310	31,297,000	31,448,900	5,149,000	-26,299,900	-83.6
OTHER DEVELOPMENT FUND OUTLAYS		\$0	\$0	\$0	\$0	\$0	0.0%
5600	Loans	0	0	0	0	0	0.0
9100	Loan Repayments	15,000,000	15,000,000	15,000,000	0	-15,000,000	-100.0
	Net Lending	-15,000,000	-15,000,000	-15,000,000	0	15,000,000	-100.0

Establishment List

Category/Personnel	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	
POLITICAL APPOINTMENTS	2	3	3	(2)	3
Minister	1	1	1	(1)	1
Minister of State	0	1	1	(0)	1
Parliamentary Secretary	1	1	1	(1)	1
OTHER STATUTORY APPOINTMENTS	1	1	1	(1)	1
President, Industrial Arbitration Court	1	1	1	(1)	1
PERMANENT STAFF	1,039	1,230	1,209	(1,111)	1,355
Accounting Profession	5	5	5	(4)	5
Administrative	12	13	13	(11)	13
Corporate Support	359	410	402	(363)	406
Deputy President, Industrial Arbitration Court	1	1	1	(1)	1
Driving	2	2	2	(1)	2
Economist Service	2	3	3	(2)	3
Engineering Profession (Manpower)	40	45	42	(43)	84
Estate Maintenance	0	0	2	(2)	2
Interpreter (2003)	4	4	0	(0)	0
Legal	3	3	3	(3)	3
Management Executive (Manpower)	335	420	420	(378)	458
Management Support	122	151	151	(143)	188
Medical Scheme 2002	7	8	8	(7)	9
Operations Support	42	45	43	(39)	43
Photographic Services	1	1	1	(1)	1
Scientific Profession (Manpower)	2	2	2	(2)	2
Shorthand Writers	11	15	15	(11)	15
Statistician (Manpower)	10	10	10	(10)	10
Technical Support	80	91	81	(85)	105
Translator (2003)	1	1	1	(1)	1
Interpreting	0	0	4	(4)	4
TEMPORARY, DAILY-RATED AND OTHER MANPOWER	30	46	70	(42)	70
Corporate Support	4	5	17	(6)	17
Engineering Profession (Manpower)	1	1	0	(0)	0
Management Executive (Manpower)	6	8	14	(11)	14
Management Support	18	31	38	(24)	38
Technical Support	1	1	1	(1)	1
OTHERS	255	319	292	(241)	292
Singapore Workforce Development Agency	255	319	292	(241)	292
TOTAL	1,327	1,599	1,575	(1,397)	1,721

Figures in brackets shown in the "Revised FY2005" column of the Establishment List denote actual staff strength.

FY2005 BUDGET

Ministry of Manpower's (MOM) total expenditure for FY2005 is expected to be \$212.84 million, which is \$0.36 million or 0.2% lower than the FY2004 expenditure of \$213.20 million.

The revised FY2005 operating expenditure is expected to be equal to MOM's original FY2005 budget of \$173.06 million and is an increase of \$12.00 million or 7.5% over actual FY2004 expenditure. The increase in expenditure over FY2004 actual is due primarily to the additional activities carried out by the Ministry in relation to increased enforcement efforts.

Development expenditure in FY2005 is expected to be \$39.78 million, lower than actual FY2004 expenditure by \$12.36 million or 23.7%. The decrease is mainly from the lower cashflow required for the final payment for the completed NTUC Building at Marina Boulevard.

FY2006 BUDGET

The total expenditure of MOM in FY2006 is projected to be \$249.85 million, which is an increase of \$37.01 million over the FY2005 revised expenditure. Of the FY2006 projected total expenditure, \$202.51 million or 81.1% is for operating expenditure and \$47.34 million or 18.9% is for development expenditure.

A significant portion of \$60.93 million (24.4%) out of the total budget will be allocated to Manpower Augmentation Programme. This is followed by the Singapore Workforce Development Agency, with \$46.12 million (18.5%). The Administration Programme, including \$31.80 million for development projects pending approval, totals \$78.21 million (31.3%). The balance of \$64.59 million (25.9%) will be allocated to the other five programmes, which are the Computer Services Programme, Research and Statistics Programme, Labour Relations and Workplaces Programme, Industrial Arbitration Programme and the Occupational Safety and Health Programme.

Operating Expenditure

The provision of \$202.51 million for operating expenditure represents an increase of \$29.45 million or 17.0% over that in FY2005. The budget increase is mainly for the areas of workplace safety and health, the enhanced enforcement efforts and for enhancing the services competitiveness in Singapore. Of the total allocation, \$154.38 million or 76.2% is for Operating Expenses, \$40.97 million (20.2%) is for operating grants and \$7.16 million or 3.5% for Transfers.

Manpower Augmentation Programme

The Manpower Augmentation Programme aims to provide a total approach to the entry, control and management of all foreign workers. It also aims to augment Singapore's national talent pool through the attraction and management of international talent. This programme, involving the Work Pass Division, Foreign Manpower Management Division, and International Manpower Division, requires an operating budget of \$60.93 million.

The Work Pass Division is responsible for regulating and managing the entry and exit of all foreign manpower. It processes and issues work passes to foreigners who intend to work in Singapore. To facilitate the entry of foreign manpower, the Division also performs selected immigration functions such as the issuance of social visit and special passes.

The Foreign Manpower Management Division enforces the Employment of Foreign Workers Act, Immigration Act, Employment Agencies Act and their subsidiary legislation. It manages the well-being of the foreign workers while they are working and staying in Singapore, and cracks down on illegal employment of foreign manpower, work pass abuses as well as illegal employment agencies. Through proactive education and promotion programmes, it also aims to raise employers' and workers' awareness of the regulations governing the employment of foreign manpower and the penalties for illegal employment. In FY2006, it expects to inspect 2,400 workplaces.

The role of the International Manpower Division is to facilitate the entry of skilled global manpower to sustain Singapore's economic competitiveness. The International Manpower Division leverages on its network of Contact Singapore offices (in Shanghai, Chennai, London, Boston and Singapore), collaboration with key economic agencies and strong relationships with Singapore industries to fulfill this objective.

Singapore Workforce Development Agency Programme

The Singapore Workforce Development Agency aims to raise the capability of the Singapore workforce through promoting and facilitating skills acquisition and industry growth. It will have an operating budget of \$40.97 million, including new funds for enhancing service competitiveness. The rest of its budget is allocated to expenditure on skills training, job placement and other workforce development initiatives. The Singapore Workforce Development Agency will continue to work with industry to implement programmes to bridge both structural and critical skills gaps to deal with the challenges of economic restructuring. This will be achieved through developing training infrastructure and raising standards, helping workers upgrade their skills and facilitating companies in strengthening their workforce development.

Administration Programme

The Administration Programme, with an operating budget of \$40.36 million, provides the central management and administration for the Ministry, including setting the broad policy and strategic directions for the Ministry, support services and prosecution of offenders of the labour laws. The departments which come under this programme are the Manpower Planning Division, Income Security Policy Department, Legal Services Department, Corporate Planning Department, Corporate Communications Department, Customer Responsiveness Department, Emergency Planning Unit, the People Matters Department and Organisation Management Department.

Development Expenditure

The provision of \$47.34 million for FY2006 is an increase of \$7.56 million or 19.0% from revised FY2005 development expenditure. The FY2006 Development Budget comprises the Manpower Development Assistance Scheme (10.9%) with the remaining largely allocated for MOM's IT projects.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
SA	Administration	38,198,290	2,162,000	40,360,290	37,852,400	78,212,690
SB	Computer Services	9,604,130	0	9,604,130	4,334,500	13,938,630
SC	Research and Statistics	5,702,930	0	5,702,930	0	5,702,930
SD	Labour Relations and Workplaces	11,084,600	3,000,000	14,084,600	0	14,084,600
SE	Industrial Arbitration	576,510	0	576,510	0	576,510
SH	Occupational Safety and Health	28,287,070	2,000,000	30,287,070	0	30,287,070
SK	Manpower Augmentation	60,925,800	0	60,925,800	0	60,925,800
SP	Singapore Workforce Development Agency	40,970,900	0	40,970,900	5,149,000	46,119,900
Total		\$195,350,230	\$7,162,000	\$202,512,230	\$47,335,900	\$249,848,130

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure up to end of FY2003	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006
DEVELOPMENT EXPENDITURE	...	...	\$52,141,361	\$47,547,200	\$39,777,200	\$47,335,900
Direct Development	...	...	9,269,051	16,250,200	8,328,300	42,186,900
Administration Programme						
Replacement of Ministry of Manpower's Central Air-conditioning System	3,430,000	0	0	2,310,000	85,000	3,095,100
Minor Development Projects	...	...	2,109,371	2,785,100	2,785,200	2,952,400
New Projects	...	...	0	3,377,900	0	31,804,900
Computer Services Programme						
Redevelopment of the Industrial Health System & the Non-Unionised Dispute System with Enhancements	2,221,000	0	223,107	0	100,000	665,000
The First IT Master Plan	6,740,000	4,118,641	93,176	1,036,200	582,000	988,000
Employer Relationship, Industry Knowledge and Analysis	4,775,000	0	0	0	338,700	2,681,500
Completed Projects	...	...	6,843,398	6,741,000	4,437,400	0
Capital Grants	...	...	42,872,310	31,297,000	31,448,900	5,149,000
Singapore Workforce Development Agency Programme						
Manpower Development Assistance Scheme (FY2000-FY2004)	153,715,700	9,819,300	33,662,730	30,836,400	29,381,700	5,149,000
Completed Projects	...	...	9,209,580	460,600	2,067,200	0

KEY PERFORMANCE INDICATORS

Desired Outcomes

- A Globally Competitive Workforce
- Lifelong Employability for Economic Security
- Building Great Places to Work

Key Performance Indicators

Desired Outcome	Performance Indicator	Actual FY2003	Actual FY2004	Revised FY2005	Projected FY2006	
A Globally Competitive Workforce	Manpower Augmentation and Workforce Development					
Lifelong Employability for Economic Security	No. of work pass applications and renewal	625,326	635,720	715,000	715,000	
Building Great Places to Work	No. of work pass cancellations	249,898	308,254	321,000	330,000	
	% of work permit applications submitted via electronic mode processed within 2 days	89.0	94.5	94.0	94.0	
	% of work permit applications submitted by mail/deposit box processed within 7 days	93.0	92.7	90.0	93.0	
	No. of employment agency licenses issued	990	1,257	1,200	1,200	
	No. of employment agency investigation cases	1,130	130	140	200	
	No. of job placements	27,284	17,649(i)	20,000	19,000	
	Total funds disbursed for training (\$m)	n. a.	n. a.	78.0	97.0	
	Total training places supported	882,699	546,078	550,000	n. a. (ii)	
		Employment Inspectorate				
		No. of workplaces inspected	2,466	1,564	2,000	2,400
	No. of summons issued	1,673	1,749	1,610	2,100	
	No. of cases investigated	1,916	1,156	1,320	1,700	
	Occupational Safety and Health					
	No. of workmen's compensation claims assessed	12,583	15,329	15,000	15,000	
	No. of industrial accidents per million man-hours worked	2.2	2.2	2.5	2.2	
	No. of factories registered	16,619	16,311	16,700	16,500	
	No. of factories inspected	15,853	12,166	3,500(iii)	7,000	
	No. of accidents investigated	277	240	181	200	

(i) With the economic recovery, the number of job seekers requiring public employment service has declined.

(ii) The difference between total training places supported in FY2003 and FY2004 was due to the rationalisation of training statistics based on fund sources. This indicator will be revised from FY2006 to better capture training outcomes.

(iii) Arising from the introduction of the new workplace safety and health framework, the inspection regime was shifted from merely detecting physical lapses to uncover weaknesses in safety management system which require more man-hours, hence the revision in inspection figures.

Key Performance Indicators - continued

Desired Outcome	Performance Indicator	Actual FY2003	Actual FY2004	Revised FY2005	Projected FY2006
	Labour Relations and Quality Workplaces				
	No. of labour disputes per unionised establishment	0.25	0.2	0.2	0.2
	% of cases referred to industrial arbitration court	0.4	3.0	2.0	2.0
	% of cases settled within 3 months from 1st meeting	90.0	89.7	90.0	90.0
	No. of labour disputes per 1,000 non-unionised employees	6	5.14	6	6
	No. of establishments with non-compliance per 1,000 establishments	4.3	2.2	6	6
	No. of collective agreements certified	379	392	380	400
	Average time taken to certify a collective agreement (weeks)	7.5	7.5	7.5	7.5