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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.

FY2007 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007	Change over FY2006	
	TOTAL EXPENDITURE	\$201,969,488	\$249,848,130	\$214,565,930	\$244,292,090	\$29,726,160	13.9%
	Main Estimates						
	OPERATING EXPENDITURE	\$166,357,105	\$202,512,230	\$190,802,930	\$219,409,290	\$28,606,360	15.0%
	<i>RUNNING COSTS</i>	\$151,081,488	\$195,350,230	\$184,972,220	\$210,209,290	\$25,237,070	13.6%
1000	Expenditure on Manpower	\$68,358,695	\$84,221,900	\$82,286,900	\$93,348,600	\$11,061,700	13.4%
1200	Political Appointments	1,050,559	1,056,000	1,056,000	1,078,100	22,100	2.1
1500	Permanent Staff	66,718,679	82,437,000	80,502,000	91,693,500	11,191,500	13.9
1600	Temporary, Daily-Rated & Other Manpower	589,457	728,900	728,900	577,000	-151,900	-20.8
2000	Other Operating Expenditure	\$53,908,955	\$70,157,430	\$61,714,420	\$66,310,690	\$4,596,270	7.4%
2100	Supplies & Services	44,140,422	56,278,900	52,069,580	56,660,040	4,590,460	8.8
2300	Manpower Development	2,748,745	6,512,820	3,442,140	3,720,460	278,320	8.1
2400	Public Relations & Exercises	2,182,139	5,033,000	3,937,520	3,610,200	-327,320	-8.3
2700	Equipment	4,608,663	2,014,810	2,011,950	2,067,990	56,040	2.8
2800	Financial Claims & Legal Expenses	228,986	317,900	253,230	252,000	-1,230	-0.5
3000	Operating Grant	\$28,813,837	\$40,970,900	\$40,970,900	\$50,550,000	\$9,579,100	23.4%
3100	Operating Grant to Statutory Boards	28,813,837	40,970,900	40,970,900	50,550,000	9,579,100	23.4
	<i>TRANSFERS</i>	\$15,275,617	\$7,162,000	\$5,830,710	\$9,200,000	\$3,369,290	57.8%
3500	Social Transfers	819,833	4,000,000	3,050,000	6,200,000	3,150,000	103.3
3600	Subventions	14,455,784	3,162,000	2,780,710	3,000,000	219,290	7.9

Expenditure Estimates by Object Class - continued

Code	Object Class	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007	Change over FY2006	
Development Estimates							
DEVELOPMENT EXPENDITURE		\$35,612,383	\$47,335,900	\$23,763,000	\$24,882,800	\$1,119,800	4.7%
5100	Direct Development	5,237,085	42,186,900	18,033,000	24,882,800	6,849,800	38.0
5200	Capital Grant	30,375,298	5,149,000	5,730,000	0	-5,730,000	-100.0
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	0	0	0	0	0.0
	Net Lending	-15,000,000	0	0	0	0	0.0

Establishment List

Category/Personnel	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
POLITICAL APPOINTMENTS	2	3	3	3
Minister	1	1	1	1
Minister of State	0	1	1	1
Parliamentary Secretary	1	1	1	1
OTHER STATUTORY APPOINTMENTS	1	1	1	1
President, Industrial Arbitration Court	1	1	1	1
PERMANENT STAFF	1,111	1,355	1,353	1,353
Accounting Profession	4	5	5	5
Administrative	11	13	12	12
Corporate Support	363	406	387	387
Deputy President, Industrial Arbitration Court	1	1	1	1
Driving	1	2	2	2
Economist Service	2	3	4	4
Engineering Profession (Manpower)	43	84	86	86
Estate Maintenance	2	2	1	1
Legal	3	3	3	3
Management Executive (Manpower)	378	458	493	493
Management Support	143	188	186	186
Medical Scheme 2002	7	9	9	9
Operations Support	39	43	37	37
Photographic Services	1	1	1	1
Scientific Profession (Manpower)	2	2	2	2
Shorthand Writers	11	15	14	14
Statistician (Manpower)	10	10	11	11
Technical Support	85	105	95	95
Translator (2003)	1	1	0	0
Interpreting	4	4	4	4
TEMPORARY, DAILY-RATED AND OTHER MANPOWER	42	70	111	111
Corporate Support	6	17	32	32
Engineering Profession (Manpower)	0	0	3	3
Management Executive (Manpower)	11	14	32	32
Management Support	24	38	44	44
Technical Support	1	1	0	0
OTHERS	241	292	427	437
Singapore Workforce Development Agency	241	292	427	437
TOTAL	1,397	1,721	1,895	1,905

FY2006 BUDGET

Ministry of Manpower's (MOM) total expenditure for FY2006 is expected to be \$214.57 million, which is \$12.60 million or 6.2% higher than the FY2005 expenditure of \$201.97 million.

The revised FY2006 operating expenditure is expected to be \$190.80 million, an increase of \$24.45 million or 14.7% over actual FY2005 expenditure. The increase in expenditure is mainly due to new initiatives in the areas of workplace safety and health and service competitiveness. We have also enhanced enforcement efforts in FY2006.

Development expenditure in FY2006 is expected to be \$23.76 million, lower than actual FY2005 expenditure by \$11.85 million or 33.3%. The decrease is mainly attributable to the reduced requirements for the Manpower Development Assistance Programme.

FY2007 BUDGET

The total expenditure of MOM in FY2007 is projected to be \$244.29 million, which is an increase of \$29.73 million or 13.9% over the FY2006 revised expenditure. Of the FY2007 projected total expenditure, \$219.41 million or 89.8% will be for operating expenditure and \$24.88 million or 10.2% is for development expenditure.

\$68.82 million (28.2%) of the total budget will be allocated to the Manpower Augmentation Programme. The Singapore Workforce Development Agency, will be allocated \$50.55 million (20.7%) and the Administration Programme, which includes the policy departments, will be allocated \$60.05 million (24.6%). The balance of \$64.87 million (26.5%) will be allocated to the other five programmes, i.e. the Occupational Safety and Health Programme, Labour Relations and Workplaces Programme, Computer Services Programme, Research and Statistics Programme and the Industrial Arbitration Programme.

Operating Expenditure

The provision of \$219.41 million for FY2007 operating expenditure represents an increase of \$28.61 million or 15.0% over FY2006. The budget increase is mainly for the priority areas of workplace safety and health, manpower augmentation programme and the workforce development programme. Of the total allocation, \$159.66 million or 72.8% is for Operating Expenses, \$50.55 million (23.0%) is for operating grants and \$9.20 million or 4.2% 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 \$68.84 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 FY2007, it expects to inspect 3,000 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 economic agencies, other Government agencies such as the Overseas Singaporeans Unit, 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 \$50.55 million, for skills training, job placement, enhancing service competitiveness 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 \$46.13 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, Workplace Policy and Strategy Department, Legal Services Department, Corporate Planning Department, Corporate Communications Department, Customer Responsiveness Department, Emergency Planning Unit and the People Matters Department.

Development Expenditure

The provision of \$24.88 million for FY2007 is an increase of \$1.12 million or 4.7% from revised FY2006 development expenditure. It will be used to implement major on-going IT projects such as the "Enhancing Flexibility and Responsiveness for the Work Pass Framework and Operations".

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
SA	Administration	44,062,260	2,000,000	46,062,260	13,989,100	60,051,360
SB	Computer Services	7,757,540	0	7,757,540	2,838,300	10,595,840
SC	Research and Statistics	6,075,100	0	6,075,100	0	6,075,100
SD	Labour Relations and Workplaces	11,127,900	5,000,000	16,127,900	0	16,127,900
SE	Industrial Arbitration	637,250	0	637,250	0	637,250
SH	Occupational Safety and Health	29,232,450	2,200,000	31,432,450	0	31,432,450
SK	Manpower Augmentation	60,766,790	0	60,766,790	8,055,400	68,822,190
SP	Singapore Workforce Development Agency	50,550,000	0	50,550,000	0	50,550,000
Total		\$210,209,290	\$9,200,000	\$219,409,290	\$24,882,800	\$244,292,090

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
DEVELOPMENT EXPENDITURE	...	...	\$35,612,383	\$47,335,900	\$23,763,000	\$24,882,800
Direct Development	...	...	5,237,085	42,186,900	18,033,000	24,882,800
Administration Programme						
Minor Development Projects	...	...	2,527,582	2,952,400	2,952,300	6,966,200
New Projects	...	...	0	31,804,900	449,600	2,717,300
Replacement of Ministry of Manpower's Central Air-conditioning System	3,430,000	0	0	3,095,100	1,651,900	550,600
Re-Configuration and Renovation of MOM Building	14,880,000	0	0	0	1,880,000	3,755,000
Computer Services Programme						
Redevelopment of the Industrial Health System & The Non-Unionised Dispute System with enhancements	2,221,000	223,107	14,400	665,000	621,000	223,000
The First IT Master Plan	6,740,000	4,211,817	120,577	988,000	880,300	1,156,400

Development Expenditure by Project - continued

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
Employer Relationship, Industry Knowledge and Analysis (E.R.I.K.A.)	4,775,000	0	298,835	2,681,500	2,250,800	1,458,900
Manpower Augmentation Programme						
Enhancing Flexibility and Responsiveness for the Work Pass Framework and Operations	15,402,500	0	0	0	7,347,100	8,055,400
Completed Projects	...	...	2,275,691	0	0	0
Capital Grants	...	...	30,375,298	5,149,000	5,730,000	0
Completed Projects	...	...	30,375,298	5,149,000	5,730,000	0

KEY PERFORMANCE INDICATORS

Desired Outcomes

- Globally Competitive Workforce
- Income Security and Lifelong Employability for Singaporeans
- Workplaces for Optimal Performance
- Customer Responsiveness

Key Performance Indicators

Desired Outcome	Performance Indicator	Actual FY2004	Actual FY2005	Revised FY2006	Projected FY2007
Globally Competitive Workforce	Overall unemployment rate	3.4	3.1	2.7	n. a. (i)
	Employment rate for resident population aged 25-64	72.3	72.6	75.5	n. a. (i)
	No. of job placements (ii)	17,649	27,487	22,200	15,000
	Total funds disbursed for training (\$m) (iii)	n. a.	69.1	97.0	98.0
	Total upgrading supported (by headcount) (iii)	n. a.	n. a.	73,000	64,000
	No. of violations of EFWA/Immigration Act	1,966	1,984	<4,200	<3,400
	No. of violations of Employment Agencies Act (iii)	n. a.	n. a.	<130	<160
Income Security and Lifelong Employability for Singaporeans	% of Active CPF members who are able to meet Minimum Sum Scheme (MSS) (Cash+Property) after withdrawal at age 55	38.3	38.3	38.0	38.0
	Employment rate for resident population aged 55-59	55.9	54.2	60.6	60.6
	Employment rate for resident population aged 60-64	33.6	34.3	41.9	39.8
Workplaces for Optimal Performance	Work-related fatality rate per 100,000 workers (iii)	n. a.	n. a.	<4.0	3.5-3.8
	Work-related injury rate per 100,000 workers (iii)	n. a.	n. a.	<790	≤550
	No. of labour disputes per unionised establishment	0.2	0.15	0.17	0.2
	No. of labour disputes per 1,000 non-unionised employees	5.14	4.3	5.0	5.0
	No. of strikes/mandays lost due to industrial disputes	0	0	0	0
	No. of FW/FDW management problems per 1,000 workers	6	16	<22	<22

(i) Forecasts of the unemployment rate and employment rate are not available.

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

(iii) Data not available prior to the introduction of this indicator.

Key Performance Indicators - continued

Desired Outcome	Performance Indicator	Actual FY2004	Actual FY2005	Revised FY2006	Projected FY2007
Customer Responsiveness	% of R pass online applications processed within 2 days	95	95	95	95
	% of R pass manual applications processed within 7 days	93	90	85 (i)	85
	% of PQS pass online applications process within 2 weeks (ii)	n. a.	n. a.	85	85
	% of PQS pass manual applications processed within 3 weeks (ii)	n. a.	n. a.	85	85
	% of unionized and non-unionised dispute cases settled within 3 months from 1 st meeting	89.7	92.2	90.0	90.0

(i) MOM introduced administrative fees for the work pass applications on 3 October 2005. Employers must submit and make payment for work permit applications at a SingPost branch. This additional step leads to the slight decline in applications that can be processed within 7 days to 85%.

(ii) Data not available prior to the introduction of this indicator