

**MINISTERIAL STATEMENT ON ADDITIONAL SUPPORT MEASURES IN RESPONSE TO
ELEVATED SAFE DISTANCING MEASURES**

A. INTRODUCTION	2
B. SOLIDARITY BUDGET.....	3
Support for Firms and Workers	3
Enhanced Jobs Support Scheme.....	4
Further Measures to Ease Labour Costs.....	5
Further Support for Rental Costs	5
Enhanced Financing Support.....	6
Enhanced Self-Employed Person Income Relief Scheme (SIRS).....	6
Enhanced Support for Households	8
Solidarity Payment	8
C. FISCAL IMPLICATIONS	9
D. CONCLUSION	10

A. INTRODUCTION

- A1. Mr Speaker, Sir, we are sailing in uncharted waters.
- A2. Since I delivered my Ministerial Statement on 26 March, eleven days ago, the pandemic has exploded.
- a. As of 5th April 2020, COVID-19 has spread to more than 200 countries and territories, infecting over 1 million people, and taken more than 60,000 lives.
 - b. Today, to control the spread of the virus, more than 3.9 billion people, or half of humanity, are on lockdown.
- A3. In Singapore, we have progressively ratcheted up our measures, as the situation develops and the medical evidence comes in.
- a. To minimise the risk of import of cases, we have severely restricted incoming flights, and Singapore Airlines mounted dedicated flights to bring back Singaporeans who were overseas.
 - b. To limit local transmission, we have implemented comprehensive and complementary measures – safe-distancing, early identification and isolation of cases, and quarantine of close contacts.
- A4. These have kept the number of infections manageable, but in recent days, the numbers have been rising.
- a. Local transmission has increased, and continues to grow. As of yesterday, we have a total of 1,309 infection cases. Six have succumbed to the virus.
 - b. These individuals mostly became infected when they were in close contact with infected persons at the social, workplace and family settings. Some clusters have emerged in our foreign worker dormitories.
- A5. To stay on top of the situation, the Government has taken a decisive step to pre-empt escalating infections. It is critical that every one of us keeps physical contact with others to a minimum.
- A6. PM addressed the nation last Friday. The Multi-Ministry Taskforce announced an elevated set of safe distancing measures immediately after that. These circuit breaker measures begin tomorrow, and will last for four weeks.
- A7. The circuit breaker is essential, but we are acutely aware that it will be painful. It will disrupt businesses and impact workers severely. We will miss face-to-face interactions with our friends and family. Familiar routines will be put on hold. Many will be anxious about their jobs, and families.

- A8. As the pandemic sweeps through the world, restrictions put in place in our trading partners will reduce demand for our exports even more. We must expect our overall GDP growth to take a further hit.
- A9. But we must take these hard decisions, make the difficult adjustments, and do all that we can in the next few months, to protect the lives of our people. Otherwise, if the outbreak escalates, the impact on lives and livelihoods will be even worse. We must take short-term pains, to avoid even sharper pain later. Let us bear these immediate pains with fortitude, and stay strong.
- A10. In the Resilience Budget, the Government committed \$48 billion to support workers, protect livelihoods, and help enterprises overcome immediate challenges. We obtained the President's in-principle support for a draw of up to \$17 billion from our Past Reserves towards this.
- A11. To further support our people and businesses during these extraordinary four weeks, when the circuit breaker measures are in place, I will bolster the Resilience Budget with a supplementary Solidarity Budget. The Unity, Resilience and Solidarity Budgets all build upon and reinforce each other. Together, they represent our strong and decisive response to the economic and social consequences of the COVID-19 crisis.
- A12. I thank the Labour Movement, the Singapore Business Federation, as well as citizens from all walks of life for your valuable feedback. Your inputs matter. They have helped us to better understand the situation, and quickly shape the support we now need.

B. SOLIDARITY BUDGET

- B1. The **primary aim** of this Solidarity Budget is to take further steps to save **jobs and protect the livelihoods of our people during this temporary period of heightened measures**. We will also help businesses **preserve their capacity and capabilities**, to resume activities when the circuit breaker is lifted.
- B2. I will also provide **direct cash in hand for households**, to help tide families through this difficult period.
- B3. All of us will be affected by these necessary circuit breaker measures – some more than others. To reach as many as we can, as fast as possible, the enhanced measures in the Solidarity Budget are broad-based.

Support for Firms and Workers

- B4. First, we will support our businesses to retain their workers, and to stay viable. In my Ministerial Statement on 26 March in this House, I mentioned the 3 Cs of support for firms' immediate needs – cash, cost and credit. I will increase support in all three areas.

Enhanced Jobs Support Scheme

- B5. Many firms cannot operate at all, or can only operate at a much reduced level in the coming weeks. But they should still retain and pay their workers. I will enhance the **Jobs Support Scheme** to support them in doing so. This will help our workers keep their jobs, and enable businesses to resume operations quickly when the circuit breaker is lifted.
- a. I announced earlier in the Resilience Budget that the Jobs Support Scheme will subsidise 25% of the first \$4,600 of gross monthly wages for all local employees. I provided higher levels of wage subsidy for sectors that are more directly hit by the outbreak - 50% for firms in the food services sector, and 75% for the aviation and tourism sectors.
 - b. With the latest development, almost every business and every worker will be directly affected in the coming weeks.
- B6. I will therefore enhance the Jobs Support Scheme for **the month of April**. In this Solidarity Budget, I will raise the wage subsidy for **all firms to 75% of gross monthly wages, for the first \$4,600 of wages paid in April 2020, for each local employee**. The details are in the annex. [See Annex B-1.]
- B7. Let me take this opportunity to clarify that for this, and for the earlier Resilience Budget, the wage cap of \$4,600 does not mean that workers earning more than \$4,600 do not qualify.
- a. Rather, it means that this wage subsidy applies to every one of our over 1.9 million local employees.
 - b. But regardless of how much they earn, the maximum subsidy to the firms will be 75% of \$4,600 per person, which is \$3,450.
 - c. The salary limit of \$4,600 is based on our median wage level of full-time employed residents.
- B8. I understand the cash needs of businesses are very pressing in this difficult period. Hence, our agencies have been working very hard, to **bring forward the first Jobs Support Scheme payout from May to April 2020**.
- a. The enhanced payout for April wages will be paid in this tranche.
 - b. Firms on GIRO and PayNow will start receiving the first Jobs Support Scheme payout next week.
 - c. Firms which are not on GIRO or PayNow will receive their payouts by cheque, starting about a week later.

B9. The aim of this strong support is to directly reduce firms' wage costs, to help them retain their workers. I expect firms to make use of this Jobs Support Scheme to continue paying your workers and refrain from putting workers on no-pay leave during this period, or worse, retrenching them. We will monitor the situation carefully together with our tripartite partners, and take action where needed.

Further Measures to Ease Labour Costs

B10. Many employers also hire foreign workers on work permits and S-passes. In the same spirit, employers should take care of these workers who will also face difficulties during this circuit breaker period. By taking care of their workers, our firms can resume operations quickly once the heightened measures are lifted.

B11. To ease the labour costs of such firms during these four weeks:

- a. I will **waive the monthly Foreign Worker Levy due in April**. This will reduce their cost, and relieve the pressures on their cash flow.
- b. To help them preserve their business structure and quickly resume operations, we will also provide employers with a **Foreign Worker Levy Rebate of \$750 for each work permit or S pass holder, based on previous levies paid in 2020**.
 - i. This will help employers pay and take care of the upkeep of their workers, and prepare their workforce to restart when the circuit breaker is lifted.
 - ii. Employers will receive the rebate as early as 21 April 2020.

B12. The Government recognises that firms have been paying Foreign Worker Levies in normal times. So in these exceptional times, we are temporarily redirecting resources back to the firms, to enable them to provide support for their foreign workers.

B13. The Minister for Manpower will share more details.

Further Support for Rental Costs

B14. To further support businesses with costs, we are taking additional steps to make sure that our measures flow down to businesses.

B15. I earlier announced a Property Tax Rebate of up to 100% for non-residential properties, for the tax payable in 2020. This rebate is to help businesses deal with the impact of COVID-19. For most properties, the 100% Property Tax Rebate works out to slightly more than one month of rent.

- a. The Minister for Law will introduce a Bill tomorrow to let businesses and individuals defer certain contractual obligations, such as paying rent, repaying loans, or completing work, for a period.

- b. This Bill will also **ensure that property owners pass on the Property Tax Rebate in full, to tenants**, as PM mentioned in his address.
- B16. The Government will also continue to lead by example in supporting tenants. I will increase the rental waiver for industrial, office and agricultural tenants of Government agencies to 1 month, up from the 0.5 month's rental waiver I announced at the Resilience Budget.
 - a. Stallholders in hawker centres managed by NEA or NEA-appointed operators will continue to enjoy three months of rental waivers, while commercial tenants will continue to receive two months of rental waivers.

Enhanced Financing Support

- B17. I have touched on the first 2 Cs – cost and cash flow. The third C is credit. To provide additional support on credit, I will **further enhance financing support for enterprises** so that viable businesses can continue to have access to credit despite the uncertainty.
 - a. I will **increase Government's risk share** of loans made under the **Temporary Bridging Loan Programme; the Enterprise Financing Scheme – SME Working Capital Loan; and Enterprise Financing Scheme – Trade Loan from 80% to 90% for loans initiated from 8 April 2020 until 31 March 2021.**
- B18. Last week, MAS, together with the financial institutions, also introduced a package of measures to help SMEs with temporary cash flow difficulties. For example:
 - a. SMEs can now opt to defer principal payments on their secured term loans till the end of the year. More than \$40 billion of SMEs' existing loans are likely to qualify for this relief.
 - b. Banks and finance companies may also apply for low-cost funding through a new MAS Singapore Dollar facility, for new loans granted under the Enterprise Financing Scheme SME Working Capital Loan and Temporary Bridging Loan Programme. If they do so, they must commit to pass on the savings to their borrowers.
- B19. The economy needs support and intervention in many different forms to go through this rough patch. I urge all businesses, landlords, financial institutions and industry players to do your part, in channelling the government's support measures to firms, workers and households.

Enhanced Self-Employed Person Income Relief Scheme (SIRS)

- B20. The enhancements I have just announced are to help workers who are employed by businesses to stay employed.

- B21. For self-employed persons, we have put in place the **Self-Employed Person Income Relief Scheme, or SIRS**, to provide direct cash assistance.
- B22. This is the first time that we are providing direct cash support to self-employed persons on such a large scale. They are a very diverse group, with different working hours and work arrangements. Some do this as full-time jobs, while others do this as part-time, to supplement their income. Some have been contributing CPF, while others have not.
- B23. Since the announcement on 26 March, the Minister for Manpower, NTUC Secretary-General and I, as well as our Government agencies, have received feedback from various self-employed persons whose livelihoods have been affected. During this circuit breaker period, more will see a further drop in income.
- a. For instance, there are self-employed persons who are engaged in some employment work to supplement their incomes.
 - b. Another group of self-employed persons bought an Executive Condominium some years ago. Their income is now severely affected by the pandemic, and they still have to support multiple family members' daily needs or medical bills.
- B24. After considering the appeals, we will broaden the support for self-employed persons. I will make two enhancements.
- a. First, I will extend SIRS to automatically include self-employed persons who also earn a small income from employment work.
 - b. Second, I will raise the current Annual Value threshold up from \$13,000 to up to \$21,000, to include those who live in some condominiums and other private properties.
 - c. The other criteria remain unchanged.
 - d. With these enhancements, a total of about 100,000 self-employed persons will automatically be eligible for the scheme, and will receive three payments of \$3,000 each, starting from May 2020.
- B25. On the other hand, many have shared their views that SIRS is overly generous. Some have asked – why do we allow self-employed persons with annual Net Trade Income of up to \$100,000 to qualify.
- a. As I explained earlier, self-employed persons are a very diverse group. Some are own account workers, like taxi drivers, who engage in a trade or business but do not employ any paid workers. Others are sole proprietors, who own small businesses that have employees and a network of business relations.

- b. In these extraordinary times, many such self-employed persons are hard-hit. I hope that by our helping them, they too can help others in their networks, and their workers, and we keep the spirit of enterprise alive.
 - c. In the spirit of tripartism, NTUC Secretary-General Ng Chee Meng has also agreed to step up and help administer the application and appeals for SIRS, and support self-employed persons in need.
- B26. Our approach now is to build up a network of support for as many as possible, as quickly as possible.
- a. Let me reiterate that those who do not need this and do not qualify, should not come forward to appeal for and abuse the support – otherwise, you undermine public confidence and take up unnecessary resources.
- B27. But done right, together, we can help many self-employed persons who are hard hit. MOM will work closely with NTUC, to start processing appeals for SIRS as soon as possible.

Enhanced Support for Households

- B28. I have spoken about our support for firms and workers. I will also provide timely support for households, to ensure that no household stands alone during this difficult period.

Solidarity Payment

- B29. All adult Singaporeans will receive a one-off **Solidarity Payment of \$600 in cash.**
- a. I will bring forward \$300 from the Care and Support – Cash payout that I announced earlier. On top of this, I will provide an additional \$300, bringing the total to \$600 for every adult Singaporean, aged 21 and above.
 - b. For the majority of Singaporeans who have provided their bank account details to the Government, the Solidarity Payment will be credited directly into their bank accounts by 14 Apr 2020. The rest will receive the payment by cheque, to be issued in stages later, starting from 30 Apr 2020.
- B30. Other cash payouts under the Care and Support Package, which were earlier announced, will be brought forward to Jun 2020, instead of Aug 2020. These include:
- a. The remaining \$300 or \$600 from the higher tiers of the Care and Support – Cash payout,
 - b. The additional \$300 payout for each parent with at least one child aged 20 and below, and

- c. The \$100 PAssion Card top-up, which will be given in cash, for Singaporeans aged 50 and above. Details are in the annex. [See Annex B-2.]
- B31. Not everyone will need these cash payouts. I am very encouraged that many have written to me, my Ministerial colleagues and MPs, that they do not need the cash payouts, and suggest that we give these to those who need the cash more. I thank fellow Singaporeans for your thoughtfulness.
- B32. I urge those who can, to donate to charities on the Giving.sg website or the Community Chest's Courage Fund, or to directly share it with others.
- B33. For those who still need more support, please approach our Social Service Offices and Community Centres, to apply for new schemes such as the Temporary Relief Fund and the upcoming COVID-19 Support Grant, which is available from May 2020, as well as existing ComCare assistance.
- B34. Some Singaporeans will also be emotionally affected or distressed in this period. So besides financial support, let us provide emotional and mental health support to our people.
- a. Our community mental health support services will continue to provide care and support for clients through phone consultations, or home visits for those who may need more support.
 - b. Over the weekend, MSF announced that we will set up a 24/7 National Care Hotline. In this time of need, I am glad that mental health professionals and trained volunteers have stepped forward to offer their help in setting up the new hotline. Thank You!

C. FISCAL IMPLICATIONS

- C1. These additional measures will cost \$5.1 billion, with
- a. \$4 billion for the additional support for businesses and workers, and
 - b. \$1.1 billion for the Solidarity Payment.
- C2. The President had earlier given her in-principle support for the Government to draw up to \$17 billion from Past Reserves to fund some of the measures in the Resilience Budget, to save jobs and businesses.
- C3. I also told Members then that I was prepared to propose to the President further draws on Past Reserves should it be necessary.
- C4. With the significantly stricter pre-emptive measures needed to protect Singaporeans and our families, it is now necessary for us to propose a further draw on Past Reserves. These measures will impact our workers and businesses severely; additional support

will be required to save jobs, preserve capabilities, and provide immediate direct assistance to Singaporeans to help them tide through this exceptional and difficult period.

- a. Therefore, I have sought and obtained the President's in-principle support to draw on an additional \$4 billion from Past Reserves.
 - b. Specifically, this will be used to fund the enhanced Job Support Scheme, the enhanced Temporary Bridging Loan Programme and Enterprise Financing Scheme, and the Solidarity Payment to Singaporeans. Details are in the annex. [See Annex C-1.]
 - c. The remaining \$1.1 billion will be funded from the fiscal space of this term of Government.
- C5. To effect the additional spending for the measures that I have announced today, I intend to seek Parliament's approval at the Committee of Supply to increase the supplementary estimates that were presented to Parliament on 26 March this year. I will subsequently seek Parliament's approval to introduce a Revised Supplementary Supply Bill, on a Certificate of Urgency, that caters for the additional sums required.
- C6. Taken together, the Government's response to COVID-19 will total \$59.9 billion, or about 12% of GDP. The Overall Budget Deficit for FY2020 will increase to \$44.3 billion or 8.9% of GDP. Details are in the annex. [See Annex C-2.]
- C7. This is an unprecedented budget, for extraordinary times. The situation remains highly fluid and uncertain. The Government stands ready to provide further support, should it become necessary.

D. CONCLUSION

- D1. Mr Speaker, Sir, before I conclude, allow me to say a few words in Mandarin.
- D2. 为阻断病毒的传播，我们在接下来的一个月内加强安全距离措施。除了提供必要服务的工作场所和主要经济领域的行业以外，其它的工作场所将从明天起关闭。
- a. 随着本土感染病例不断增加，如果我们不进一步加强防范，疫情会迅速恶化，而导致整个医疗体系无法负荷。
 - b. 我们的当务之急是保障国人的安全，金钱没了，日后还可以再赚。但如果失去了健康或生命，就只能留下遗憾。
 - c. 因此，为了大家的安全和健康，国人一定要遵守防疫措施。

- D3. 这些措施将对企业的日常运作和国人的日常生活造成严重的影响。为了给予国人更多援助，除了之前宣布的两个预算案，我将提呈额外总值 51 亿元的“同舟共济预算案”。这是政府在短短两个月内公布的第三个预算案，是空前的。主要目的是，保住我们的企业，帮助它们保住员工的工作，让大家能够挺过这个非常时期，坚持下去。
- a. 为此，我将把四月雇佣补贴计划的薪金补贴比例从百分之25调高至百分之75。有关调整将涵盖所有行业。
 - b. 我们也将立法规定业主把产业税回扣全额转给租户。
 - c. 我们也将提高政府工业，办公室以及农业租户的租金回扣，从半个月增加到1个月。
 - d. 另外，我们也会采取进一步措施，通过企业融资计划和过渡性贷款计划，协助企业继续获得信贷，让它们能够经营下去。
 - e. 我们也将放宽自雇人士收入补贴计划的合格条件，涵盖从事兼职工并从中赚取一点薪水的自雇人士。自雇人士居住的房产只要年值在2万1千元或以下，也可以获得现金补贴。
- D4. 在这期间，许多聘请外籍劳工的企业将无法开工。为帮助这些企业应付人力成本，并确保它们能继续照顾外籍劳工，我们将豁免四月的外劳税。我们也会为企业提供额外的外劳税回扣。每一位工作准证及 S 准证持有者，回扣为 750 元。
- D5. 同时，为了减轻许多家庭这个月的生活负担，所有成年国人将获得一次性的 600 元“同舟共济”现金补贴。
- a. 我之前宣布国人会在“关怀与援助配套”下获得现金补贴。
 - b. 现在，我会从这份补贴中，先发放300元，并加上额外的300元。
 - c. 也就是说，每名成年国人将能提早获得总值600元的“同舟共济”现金补贴。

- D6. 我之前提过，如果有必要，政府会动用更多储备金来资助新措施。我已取得哈莉玛总统原则上的支持，动用储备金来资助今天所宣布的新措施。
- D7. 这一个月对许多企业来说，十分艰难。我希望这些新的措施能帮助我们的企业撑过这个时期。在这个非常时期，我们也必须继续关怀彼此，尤其是关心身边的年长者和弱势群体。我们也要注意健康、个人卫生，养成好习惯。只要国人上下一心，保持健康，再由政府通过预算案帮助大家保工作，保企业，保未来，新加坡最终能走出困境，战胜疫情，越战越勇。
- D8. Mr Speaker, Sir, I will now conclude in English.
- D9. This is a generational crisis with no precedent. We have brought all our resources and administrative capacity to bear, to mount a national effort for our workers, businesses, and families – to protect both lives and livelihoods.
- D10. We have the plans, and the financial resources to carry out these plans without burdening future generations with the bill. We are grateful to our founding generation for their foresight and discipline. The **key now is how we pull together, in solidarity, as a nation to implement these plans**, and make adjustment as the situation continues to evolve.
- a. COVID-19 is testing nations worldwide, and revealing more about governments, more about each society, our identity, and the values that hold each of us together.
 - b. Though the pandemic is global, the impact on each country depends greatly on the different actions and responses of each government and their people.
 - c. Trust and confidence of our people in the government are critical. Our people must understand what we are facing and support what we are doing.
 - i. This is why we have been forthcoming and transparent with Singaporeans.
 - ii. We are honest about the uncertainties and challenges ahead, and honest about the price we need to pay for what we need to do.
 - d. We have been able to take bold and swift actions because we have the trust of Singaporeans, painstakingly built up over the years by delivering for Singaporeans.
- D11. With the circuit breaker in place for the next one month, everyone will have to adjust and adapt not just our physical routines, but our mindsets and habits.

- a. As Minister Lawrence Wong said, every person is, in fact, on the frontline. Every Singaporean can make a difference in slowing down the spread of the virus today.
- b. To keep out the virus, every one of us must play our part. Be socially responsible – by staying home, staying safe, and staying healthy. Each and every one of us must do our best to stem the escalating infections, to prevent our healthcare system from being overwhelmed.
- c. As we do so, we must keep our spirits up, and look out for each other, especially our seniors and the more vulnerable. Our government agencies, as well as many volunteers, are contributing their best to care for our vulnerable groups. We may not be able to physically visit our extended families and close friends, but we can stay in touch, and connect through phone or video.

D12. I am confident that we can, and will, pull close together as a nation, even as we physically distance ourselves to save lives.

D13. Let us unite, demonstrate our Resilience, stay United and press on in Solidarity. Together, we will emerge stronger from this!