



BUDGET 2021

Emerging Stronger Together



Uncertainties in a Post-COVID-19 World



Uncertain and
Uneven Recovery



Rising
Protectionism



Shifts in Global
Supply Chains



Climate Change



REOPEN

We can turn **Challenges**
into **Opportunities**

We continue to improve Singaporeans' lives, and see them through the pandemic

Housing and Estates

- Built more flats
- Rejuvenated all estates
- Enhanced CPF Housing Grant
- Suspended late payment charges on HDB mortgage arrears



Public Transport

- Improved rail network
- Expanded bus fleets
- No increase in public transport fares for 2020



Healthcare

- Built new hospitals and polyclinics
- Community Health Assist Scheme (CHAS)
- Pioneer and Merdeka Generation Packages
- Free COVID-19 vaccination



We continue to improve Singaporeans' lives, and see them through the pandemic

Education

- Enhanced preschool subsidies
- Increased number of preschool places
- KidSTART and UPLIFT
- Digital Learning Devices



Jobs and Economy

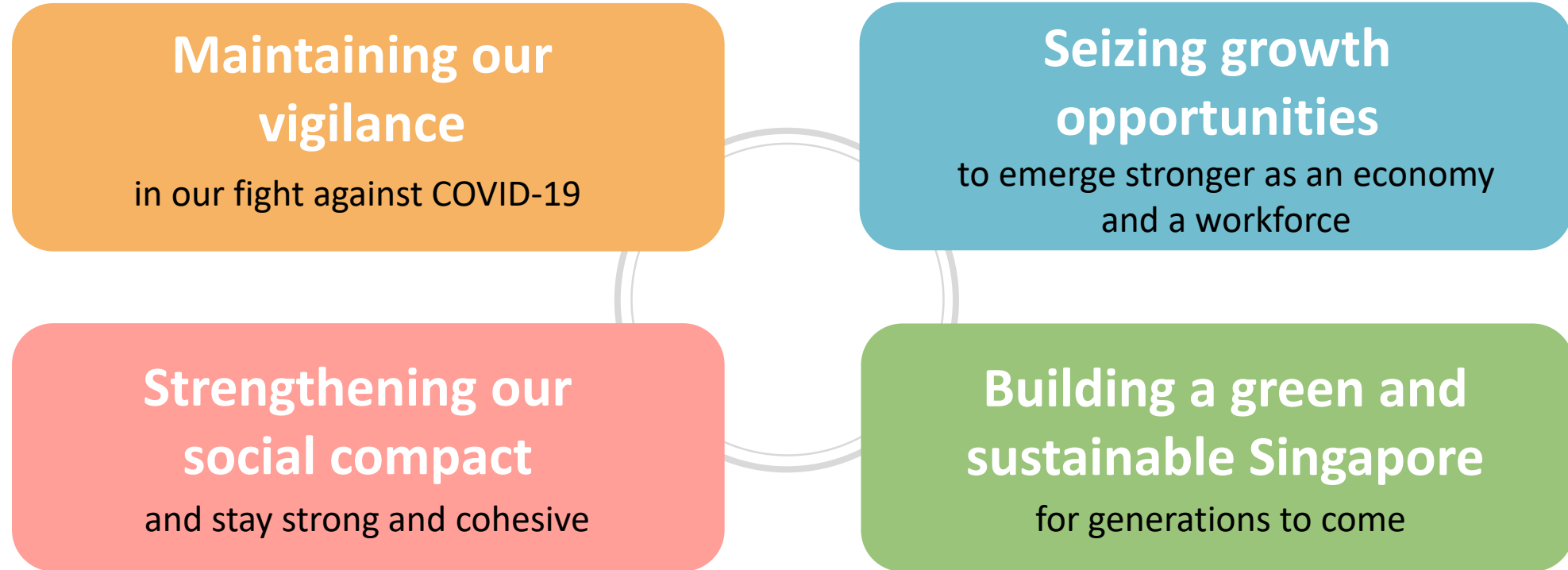
- Industry Transformation Maps
- SkillsFuture
- Jobs Support Scheme
- SGUnited Jobs and Skills Package, including Jobs Growth Incentive





Emerging Stronger Together

We will Emerge Stronger by:



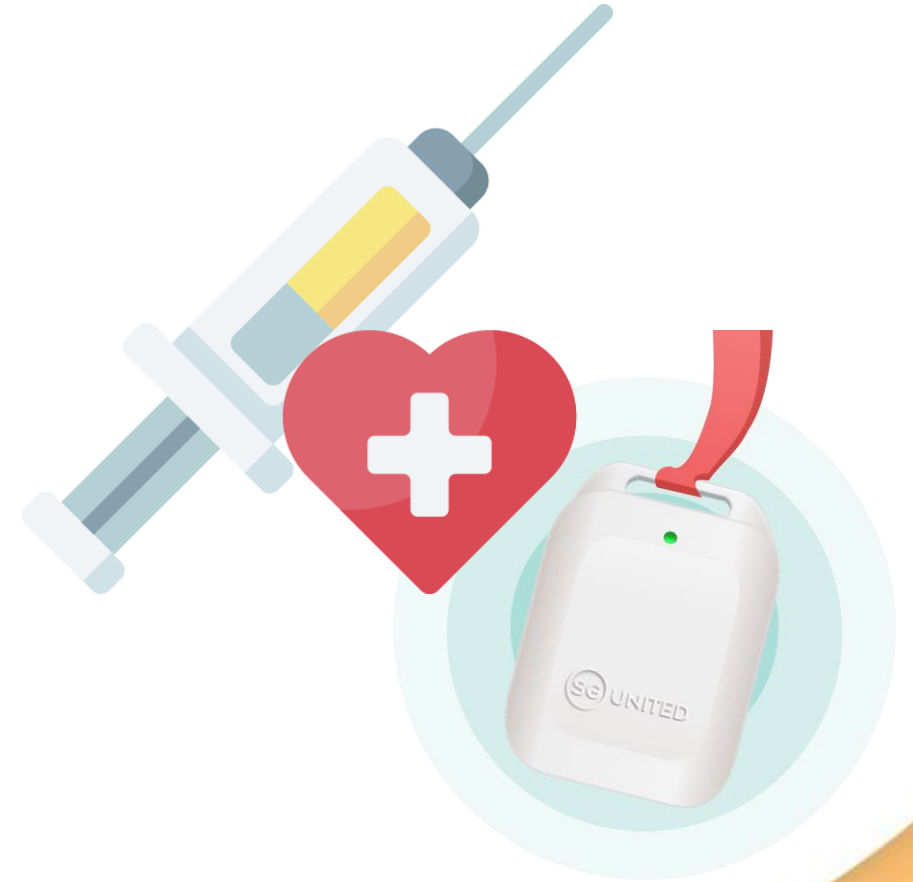
We will do this together as One Singapore 



**Maintain Vigilance
in our fight Against COVID-19**

A Safe Re-opening:

- Step up **vaccination**
- **Contain the spread** of the virus:
 - ✓ Contact tracing
 - ✓ Testing
 - ✓ Safe distancing





Emerging Stronger
As an **Economy** and a **Workforce**

For Workers

- **Extend Jobs Support Scheme**

- ✓ Support wages of local workers in harder-hit sectors up till September 2021
- ✓ Other sectors continue to receive support till March 2021



For Enterprises

- **To help with access to credit:**

- ✓ Extended **Temporary Bridging Loan Programme**
- ✓ Enhanced **Enterprise Financing Scheme**

- **For worst-hit sectors that continue to be affected:**

- ✓ **More cost relief** and support for aviation sector
- ✓ Extend **Arts & Culture, and Sports Resilience Packages** to help these sectors recover
- ✓ **COVID-19 Driver Relief Fund** will continue to support taxi and private hire car drivers

\$24 billion set aside to help workers and enterprises emerge stronger

For Workers

- **Jobs Growth Incentive extended till end-September 2021**
 - ✓ Help more individuals get jobs in new growth sectors
- **Upskilling programmes extended till end-March 2022**
 - ✓ **SGUnited Mid-Career Pathways** and **SGUnited Skills** for mid-career individuals
 - ✓ **SGUnited Traineeships** for fresh graduates
- **Innovation and Enterprise Fellowship Programme**
 - ✓ Groom leaders in technology and innovation



For Workers

- **Tighten foreign worker quota:**

- ✓ Reduce the proportion of S Pass holders in the manufacturing sector
- ✓ Continue to review S Pass frameworks

- **Support wage increments for local workers:**

- ✓ Extend **Wage Credit Scheme** for a year

- **Attract locals to growth sectors:**

- ✓ Enhance salaries of healthcare workers

- **Support skills transfer:**

- ✓ Extend the **Capability Transfer Programme** till end-September 2024



For Enterprises

- **Drive innovation**
 - ✓ Pilot **Corporate Venture Launchpad**
 - ✓ Enhance **Open Innovation Platform**
- **Promote global collaboration**
 - ✓ Expand **Global Innovation Alliance**



For Enterprises

Help high-growth enterprises and startups to grow

- Enterprise Financing Scheme – Venture Debt programme



Help large local enterprises scale up and expand overseas

- Local Enterprises Funding Platform



Facilitate adoption of new or deep technology

- Emerging Technology Programme



For Enterprises

- **From 1 January 2023, GST will be extended to:**
 - ✓ Low-value goods imported via air or post
 - ✓ Business-to-consumer imported non-digital services
 - e.g. live interaction with overseas provider of educational learning, fitness training etc
- **Overseas suppliers of goods and services will be subject to the same GST treatment as local suppliers**





**Emerging Stronger
As a Society**

We helped Singaporeans affected by COVID-19

For all households

Care and Support Package

For workers and
self-employed persons

COVID-19 Support Grant

**Self-Employed Person
Income Relief Scheme**

Temporary Relief Fund

For lower-income workers
and households

**Workfare, Grocery and
GST Vouchers**



**We will continue to help Singaporeans cope with the
lingering impact of the pandemic, and ensure that
no one is left behind**

COVID-19 Recovery Grant

To help those who lost their jobs or suffered income losses

Household Support Package

About \$900 million set aside

- Eligible Singaporeans aged 21 and above: **One-off \$200 GST Voucher – Cash Special Payment**
- Each Singaporean child below age 21: **\$200 top-up**
 - ✓ Through Child Development, Edusave, or Post-Secondary Education Account
- Eligible HDB households:
 - ✓ Up to \$200 more in utilities rebate through **GST Voucher – U-Save Special Payment**
 - ✓ **Service and Conservancy Charges (S&CC) Rebate** extended for another year
- All Singaporean households: **\$100 Community Development Council (CDC) Vouchers**
 - ✓ For use at local heartland shops and hawker centres



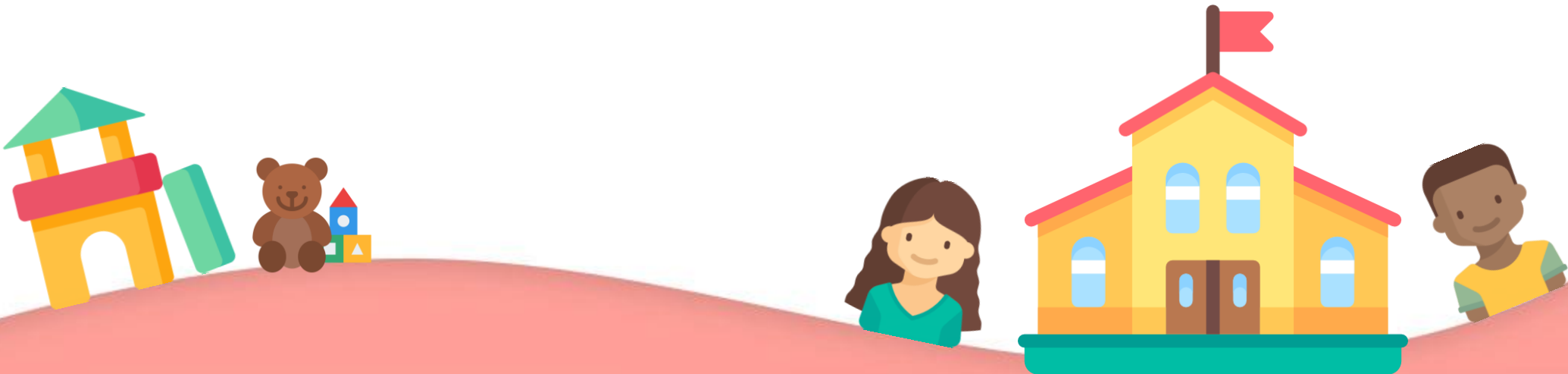


**We will provide more for those in need,
and ensure that opportunities are available to
every Singaporean at every stage of life**

- **We start early**

- ✓ **Inclusive Support Programme pilot:**

- Allows more children with different needs to attend preschool



Tripartite Workgroup on Lower-Wage Workers

- Look at ways to further uplift lower-wage workers



Scale up ComLink nationwide

- Over next two years to better support families with children living in rental flats



Boost job prospects

- For persons with disabilities



We will continue to identify and help those who need more support

- Higher budget for **Senior Worker Early Adopter Grant** and the **Part-Time Re-employment Grant**
 - ✓ Help more senior workers stay in employment





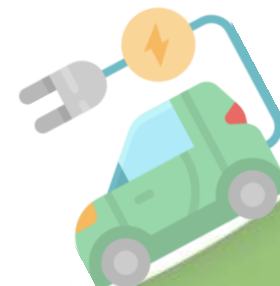
A Sustainable Home For All

- **Adopt cleaner-energy vehicles**

- ✓ \$30 million set aside for Electric Vehicles (EV)-related initiatives
- ✓ Support EV adoption by speeding up **deployment of charging infrastructure**
- ✓ **Incentivise** the shift towards EV

- **Reduce usage of internal combustion engine vehicles**

- ✓ Raise petrol duties with offsets for affected motorists



Offsets the petrol duty increases for petrol/petrol-hybrid vehicles:

Motorcycles

- **Petrol Duty Rebate** in cash for individual owners of motorcycles with engine capacity:
 - Up to 200cc: **\$80**
 - From 201 – 400cc: **\$50**
- **60% road tax rebate** for a year



Goods vehicles and buses

- **100% road tax rebate** for one year



Taxis and Private Hire Cars

- **Petrol Duty Rebate of \$360**, given out over four months to active drivers
- **15% road tax rebate** for one year



Cars

- **15% road tax rebate** for one year



- **Supporting our whole-of-nation effort:**
 - ✓ Support our industries to reduce emissions
 - ✓ Partner Singaporeans and support projects on sustainability





A Sustainable Fiscal Strategy for our Future

**Our sound finances helped us avert the worst
and position us for recovery**

**We must keep up our prudent and sustainable approach,
so as to meet future priorities and weather future crises**

GST increase between 2022 to 2025 to support recurrent spending on healthcare and social needs

Increase will not take place in 2021 in view of economic conditions, but will be needed sooner rather than later

We will cushion the impact for Singaporeans

Assurance Package for GST will delay effect of GST rate increase by:

- ✓ At least five years for most Singaporean households
- ✓ 10 years for lower-income households

Defray GST expenses for lower- and middle-income households:

- ✓ GST on publicly-subsidised healthcare and education continue to be absorbed
- ✓ Enhance permanent GST Voucher scheme





**Emerging Stronger
As a Community**

- **Extended till end-2023**

- ✓ **250% tax deduction** for donations to Institutions of a Public Character (IPCs)
- ✓ **Business and IPC Partnership Scheme** to encourage corporate volunteerism





Conclusion



BUDGET
2021

Budget 2021 will help us deal with the immediate needs of fighting the COVID-19 pandemic, and position our country to thrive in the new normal

Together, we will **Emerge Stronger** towards a
Sustainable Future for All

Example 1: Young couple with young child



Father

34 years old

Earning \$2,200 per month

Mother

32 years old

Earning \$2,300 per month

Daughter

3 years old

-

Dwelling Type

3-room HDB Flat

Example 1: Young couple with young child



Young couple with young child can potentially

receive more than \$134,000 worth of benefits in 2021

Household Support Package

GST Voucher – Cash Special Payment, GST Voucher – U-Save Special Payment, Child Development Account (CDA) top-up, CDC Voucher, S&CC Rebate

About \$1,000

GSTV – Cash

\$600

GSTV – U-Save

\$355

Healthcare subsidies

More than \$1,000

Preschool support

Includes childcare subsidies and CDA contributions

\$11,880

Housing grants

Couple books a resale flat near their parents, and is eligible for CPF Grants and Proximity Housing Grant

\$120,000

TOTAL

More than \$134,000

Example 2: 3-Generation Family



Grandmother

72 years old

Retired

Father

45 years old

Earning \$6,500 per month

Mother

42 years old

Earning \$2,300 per month

Daughter

13 years old

Studying in Secondary School

Son

10 years old

Studying in Primary School

Dwelling Type

5-room HDB Flat

Example 2: 3-Generation Family



3-Generation family can receive more than

\$35,500 worth of benefits in 2021

Household Support Package

GST Voucher – Cash Special Payment, GST Voucher – U-Save Special Payment, Edusave top-up, CDC Voucher, S&CC Rebate

About \$1,200

GSTV – Cash

\$600

GSTV – U-Save

\$275

Education support

Includes education subsidies and Edusave contributions

More than \$25,500

Healthcare subsidies

More than \$7,500

MediSave top-ups

Under the GST Voucher scheme and Pioneer Generation Package

\$500

TOTAL

More than \$35,500