

## FACTSHEET ON SENIOR WORKER EARLY ADOPTER GRANT AND PART TIME RE-EMPLOYMENT GRANT

### (I) ABOUT SENIOR WORKER EARLY ADOPTER GRANT

#### BACKGROUND

1. The Tripartite Workgroup on Older Workers<sup>1</sup> recommended that the statutory minimum Retirement Age (RA) and Re-employment Age (REA) be raised to 65 and 70 respectively by 2030. The first move will take effect from 1 July 2022, with Retirement Age (RA) increasing from 62 to 63, and Re-employment Age (REA) increasing from 67 to 68.

2. To support progressive employers that are willing and able to implement a higher internal retirement age and re-employment age ahead of time, MOM has introduced the Senior Worker Early Adopter Grant from 1 July 2020 onwards.

#### SENIOR WORKER EARLY ADOPTER GRANT (UP TO \$250,000 PER COMPANY)

##### What Is It?

The Senior Worker Early Adopter Grant (SWEAG) provides support of up to \$250,000 for employers to increase their own retirement and re-employment ages ahead of legislative schedule.

##### Grant Construct and Computation

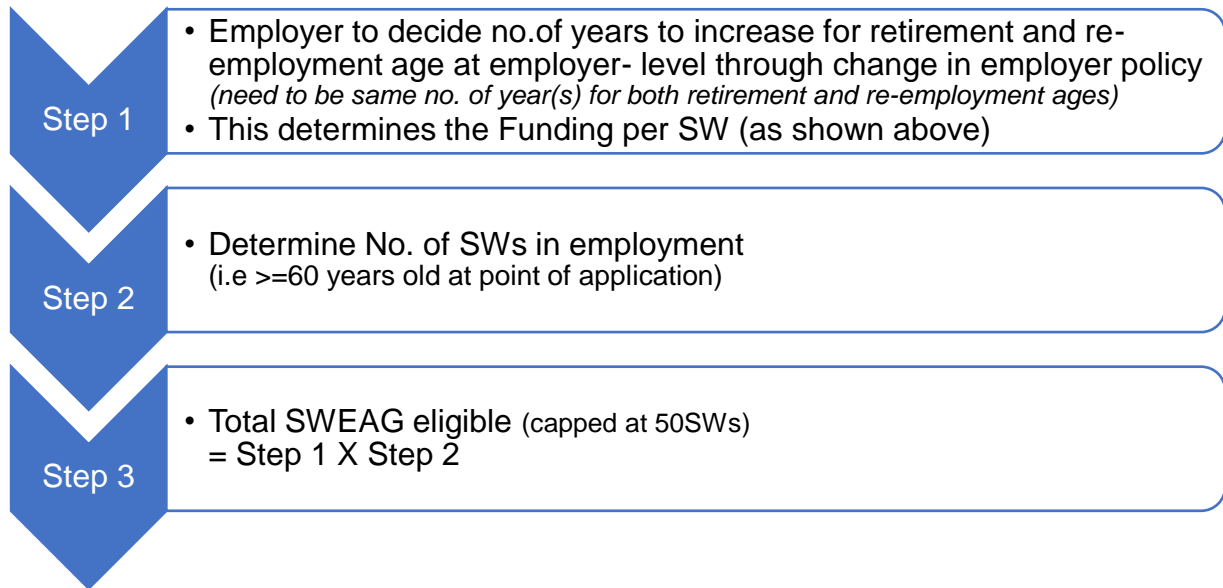
The SWEAG funding quantum will be based on (i) the number of resident Senior Workers<sup>2</sup> (SWs) and (ii) the extent of increase in internal retirement and re-employment ages. The total eligible funding will be capped at 50 Senior Workers (SWs) per employer (equivalent of \$250,000).

Extent of advancement of internal retirement age and re-employment age	Funding per SW (age 60 and above)	Total Eligible Funding (Cap of 50 SWs per company)
By 1 year each	\$1,000	\$50,000
By 2 years each	\$2,500	\$125,000
By 3 or more years	\$5,000	\$250,000

<sup>1</sup> The Tripartite Workgroup on Older Workers was formed in May 2018 to review the longer-term relevance of and consider the next moves for the Retirement and Re-employment ages; examine the CPF contribution rates for older workers and their impact on retirement adequacy; and promote an inclusive workforce and progressive workplaces that value older workers. Its recommendations were accepted in full by the Government in August 2019. Refer to <https://www.mom.gov.sg/-/media/mom/documents/press-releases/2019/0819-tripartite-workgroup-on-older-workers-report.pdf> for more information, and its recommendations.

<sup>2</sup> Senior Worker (SW) refers to workers in employment who are aged 60 and above.

There are 3 steps (as depicted below) in computing the SWEAG quantum each company is eligible for.



If there are varying extensions to the workers' retirement or re-employment ages for different groups of Senior Workers, the Grant will be tied to the lowest tier of Funding. This is illustrated in an example below in scenario 2.

Examples of how SWEAG is computed.

<b>Examples</b>	<b>Scenario 1: If the SWs &gt;SWs cap (at 50)</b>	<b>Scenario 2: If different groups of SWs have different extension to RA/REA</b>
	Company A would like to increase the RA/REA for all SWs by 3 years. It has 52 SWs.	Company B would like to increase the RA/REA for its 40 Executives by 3 years, but for its 10 cleaners by 1 year.
<b>Total SWEAG Grant=</b>	50 x \$5,000 = \$250,000	(40+10) x \$1,000 = \$50,000
<b>Rationale</b>	SWEAG has a funding cap set at 50 SWs (equivalent to \$250k). So, even though 52 senior workers will benefit, company is only eligible to claim up till 50 workers.	Employers may have implemented different retirement and re-employment age for its 2 different groups of senior workers. The funding has to follow the lower tier, which is \$1,000 (amount for 1 year extension of internal retirement and re-employment age).

## (II) ABOUT PART-TIME RE-EMPLOYMENT GRANT

### BACKGROUND

3. Through the Tripartite Workgroup on Older Worker public consultation and other surveys, it was observed that senior workers increasingly prefer to reduce their work intensity gradually as they approach retirement. They are prepared to remain in the workforce if they could undertake part-time work arrangements during the re-employment phase.

4. As employers need time to restructure their work structures and processes to accommodate more part-time employees, the Part-time Re-employment Grant has been introduced from 1 July 2020 onwards to support employers that commit to providing part-time re-employment opportunities to SWs upon their request.

### PART-TIME RE-EMPLOYMENT GRANT (UP TO \$125,000 PER COMPANY)

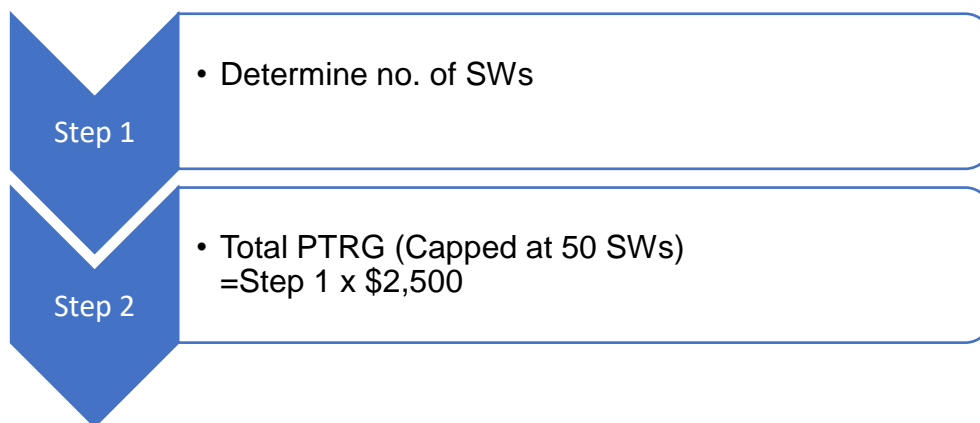
#### What Is It?

PTRG provides funding support of up to \$125,000 to employers that commit to a part-time re-employment policy for its eligible senior workers.

#### Grant Construct and Computation

The PTRG funding quantum will be based on the number of SWs employed, at \$2,500 per resident senior worker, up to a cap of \$125,000 (i.e. 50 SWs) per employer.

There are 2 steps (as depicted below) in computing the PTRG quantum each employer is eligible for.



### (III) WHAT DO EMPLOYERS NEED TO DO TO QUALIFY FOR SWEAG & PTRG?

#### Grant Deliverables

5. Employers have to complete the following deliverables before claiming.
  - a) Furnish sail-through/updated HR policy on:
    - i. SWEAG: internal retirement and re-employment ages showing the respective increases from current policy
    - ii. PTRG: the part time re-employment policy for SWs
  - b) Communicate the new policy to all employees (e.g. employer's staff website, circular/ memo, employee handbook issued).
  - c) Submit duly completed claim form that provides information on all senior workers.
  - d) Issue addendums (specific clauses will be provided) to employment contracts documenting the policy change to all employees:
  - e) For SWs, the addendums will need to be individually addressed to and signed by the SWs.
  - f) For all other workers, the addendums can be standardised without having to be individually addressed nor acknowledged.
  - g) Submit CPF Form 90 for all senior workers being claimed.
  - h) Prepare NRICs of SWs for sighting by the programme partner (either physically, virtually or via photocopies).

### (IV) HOW CAN EMPLOYERS APPLY FOR SWEAG AND PTRG?

6. All employers can apply for SWEAG and/or PTRG if they are legally registered or incorporated in Singapore. This includes societies and non-profit organisations such as charities and voluntary welfare organisations. Governmental agencies, statutory boards and other organs-of-state are not eligible.

7. NTUC's e2i and SNEF are the appointed Programme Partners for SWEAG and PTRG. This service is provided at no cost to employers. Applications must be submitted directly by the employers. Third parties application through consultants or vendors will not be accepted. MOM, WSG, NTUC's e2i and SNEF do not endorse any consultants or vendors and their services or products.

Programme Partners	NTUC's e2i	SNEF
Hotline	6474 0606	62907694
Email	<a href="mailto:snp@e2i.com.sg">snp@e2i.com.sg</a>	<a href="mailto:SWSP@snef.sg">SWSP@snef.sg</a>
Website	<a href="http://www.e2i.com.sg">www.e2i.com.sg</a>	<a href="http://www.snef.org.sg">www.snef.org.sg</a>