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# Parliament: More income relief for lower-wage workers during Covid-19 crisis, says Zaqy Mohamad



This enhancement will last until the end of 2020, when it will be reviewed further. ST PHOTO: ONG WEE JIN



### Olivia Ho Arts Correspondent

(mailto:oliviaho@sph.com.sg)

SINGAPORE - More workers will get help from the Short-Term Relief Fund during the coronavirus pandemic as coverage is extended to half the workforce, up from 20 per cent previously.

Minister of State for Manpower Zaqy Mohamad announced the increased support in Parliament on Tuesday (April 7) in the debate over the supplementary budget.

The fund currently provides financial help to lower-wage workers whose employers are unable to pay them wages due to financial difficulties or business failure.

Mr Zaqy said that since April 1, the Ministry of Manpower (MOM) has increased this support from up to one month's salary, currently capped at \$1,000, to up to two months' salary, capped at \$4,600, depending on the worker's income.

This enhancement will last until the end of the year, when it will be reviewed further.

The Tripartite Alliance for Dispute Management, set up by MOM, National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF), will identify workers who may need this financial relief.

Mr Zaqy added that lower-wage workers will continue to receive additional support through the enhanced Workfare Income Supplement scheme.

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"The qualifying income ceiling and maximum annual payouts have both gone up since January 2020," he said. "More workers can benefit from greater Workfare support of up to \$4,000 a year."

Mr Zaqy also said that lower-wage workers earning up to \$2,000 per month last year, including self-employed people, will receive the Workfare Special Payment of \$3,000 in cash that Deputy Prime Minister Heng Swee Keat had announced last month.

The Central Provident Fund Board will pay eligible Workfare recipients two payouts of \$1,500 in July and October this year, brought forward from November.

Responding to Mr Pritam Singh (Aljunied GRC), who on Monday spoke about adopting a living wage, Mr Zaqy said: "In times like these, no minimum wage or living wage system can help low-wage workers. When there is no work, there is no salary, there is no minimum wage to talk about when firms are unable to pay their low-wage workers.

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"So Workfare is the reason why the Government can calibrate the 20 per cent additional wage top-up and the \$3,000 special payment or any other wage support needed for later for our low-wage workers who are vulnerable and who need our support, and this on top of the Jobs Support Scheme that we are providing to companies," he said, mentioning other measures put forth to save jobs and offer relief in the crisis.

"So we complement that approach with the Progressive Wage Model for our cleaners, our security officers and landscape workers, and unlike minimum wage or living wage, we take a multi-layered approach to support our low-wage workers and which is effective especially in these times of needs."

As for the Self-Employed Person Income Relief Scheme, which gives direct cash assistance of \$9,000 over nine months, Mr Zaqy said that the relief will go first to self-employed people who are most in need. "So we used Workfare criteria as a starting point, and further expanded the criteria to cover almost double the number of self-employed people as Workfare."

Eligible self-employed people aged 37 and above who declared a positive net trade income for 2018 will be automatically notified via letter and SMS at end-May.

For self-employed people who do not automatically qualify, such as those aged 21 to 36 this year who otherwise meet the criteria, and those whose spouses earn a high income but nevertheless have many people at home to support, Mr Zaqy said that they would try their best to consider these applications.

"We will also seriously consider the appeals of those who narrowly missed the eligibility criteria," he said.

MOM is now working with NTUC to provide details on how to apply and file an appeal and hopes to provide these soon, he added.

In the meantime, he called upon self-employed people with spare capacity during the downturn to use this time in training and upskilling through initiatives such as the Self-Employed Person Training Support Scheme, which is administered by NTUC.

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The scheme has been extended until the end of the year and self-employed people will get an hourly training allowance of \$10 from May 1 - up from \$7.50 currently - with no cap as to how much training they can sign up for.

"For example, a self-employed private-hire car or bus driver who spends 10 full days training in a month can receive \$800 of training allowance in that month," he said.

More details can be found at e2i.com.sg/individuals/ntuc-training-fund.

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