

## 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 introduced the Senior Worker Early Adopter Grant (SWEAG) from 1 July 2020 onwards. Given the strong take-up rate, grants for the SWEAG were fully committed and applications were ceased on 16 January 2021.
3. The SWEAG re-opens for application on 16 February 2021 with revised grant parameters to ensure that more companies and senior workers can benefit from it.

#### SENIOR WORKER EARLY ADOPTER GRANT (UP TO \$125,000 PER COMPANY)

##### What Is It?

The Senior Worker Early Adopter Grant (SWEAG) provides support of up to \$125,000 for employers to increase their own retirement and re-employment ages ahead of legislative schedule. To qualify for SWEAG, employers will be required to adopt the Tripartite Standard on Age-friendly Workplace Practices (TS-AWP). This is to ensure that the companies implement good employment practices for senior workers.

##### Grant Construct and Computation

The SWEAG funding quantum will be based on the number of resident Senior Workers<sup>2</sup> (SWs), at \$2,500 per resident SW, up to a cap of \$125,000 (i.e. 50 SWs) per employer. This applies to companies that increase their own retirement and re-employment ages by 3 years<sup>3</sup> above the minimum statutory ages.

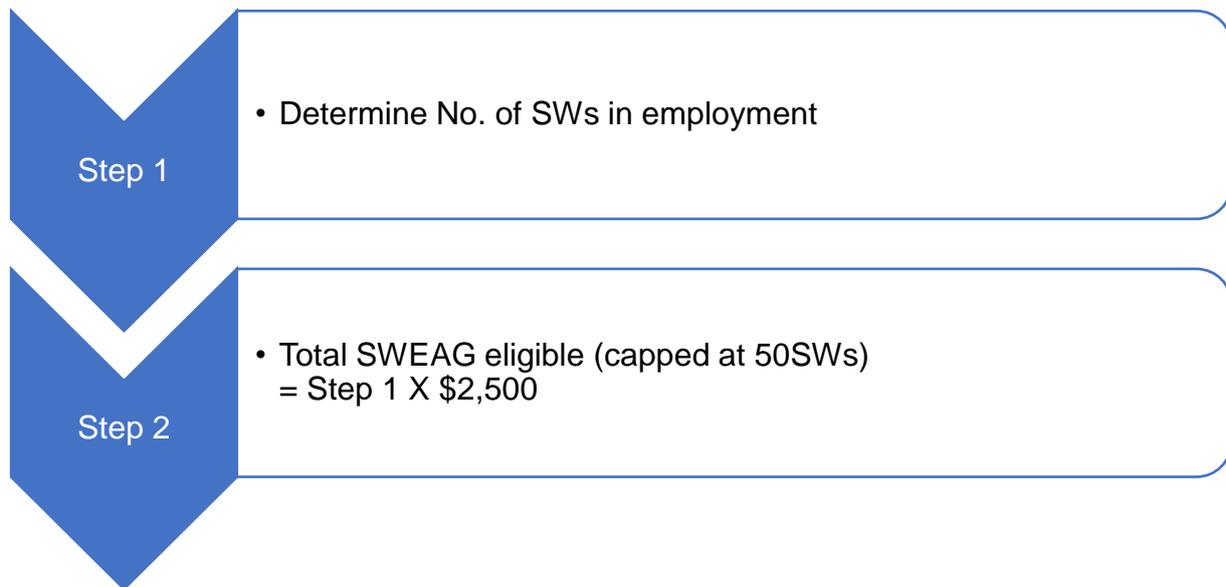
<sup>1</sup> The Tripartite Workgroup on Older Workers was formed in May 2018 to review the longer-term relevance of and consider the next moves for the Retirement and Re-employment ages; examine the CPF contribution rates for older workers and their impact on retirement adequacy; and promote an inclusive 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.

<sup>3</sup> The increase in the internal Retirement Age (RA) and Re-employment Age (REA) of a minimum of 3 years (from existing statutory RA and REA of 62 and 67 respectively) to qualify for the SW EAG would be applicable only if companies apply for the grant before 5 July 2021. If the application of the grant is on 5 July 2021 or after, companies would have to raise their internal RA and REA to at least 66 and 71 respectively, i.e. a minimum of 3

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



Example of how SWEAG is computed.

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|---------------------------|---|
| <b>Examples</b>           | <b>Scenario:</b><br><b>If the SWs &gt;SWs cap (at 50)</b>   |
|                           | Company A would like to increase the RA/REA for all SWs by 3 years. It has 52 SWs.  |
| <b>Total SWEAG Grant=</b> | 50 x \$2,500 = \$125,000  |
| <b>Rationale</b>          | SWEAG has a funding cap set at 50 SWs (equivalent to \$125k). So, even though 52 senior workers will benefit, company is only eligible to claim up till 50 workers. |

years from the new RA and REA of 63 and 68 respectively that would take effect on 1 July 2022. This allows senior workers in these firms to benefit fully from three years of higher internal RA and REA, which is what the SW EAG is designed to promote.

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

### BACKGROUND

4. 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.

5. As employers need time to restructure their work structures and processes to accommodate more part-time employees, the Part-time Re-employment Grant was introduced from 1 July 2020 onwards to support employers that commit to providing part-time re-employment opportunities to SWs upon their request. Given the strong take-up rate, grants for the PTRG were fully committed and applications were ceased on 16 January 2021.

6. The PTRG re-opens for application on 16 February 2021.

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

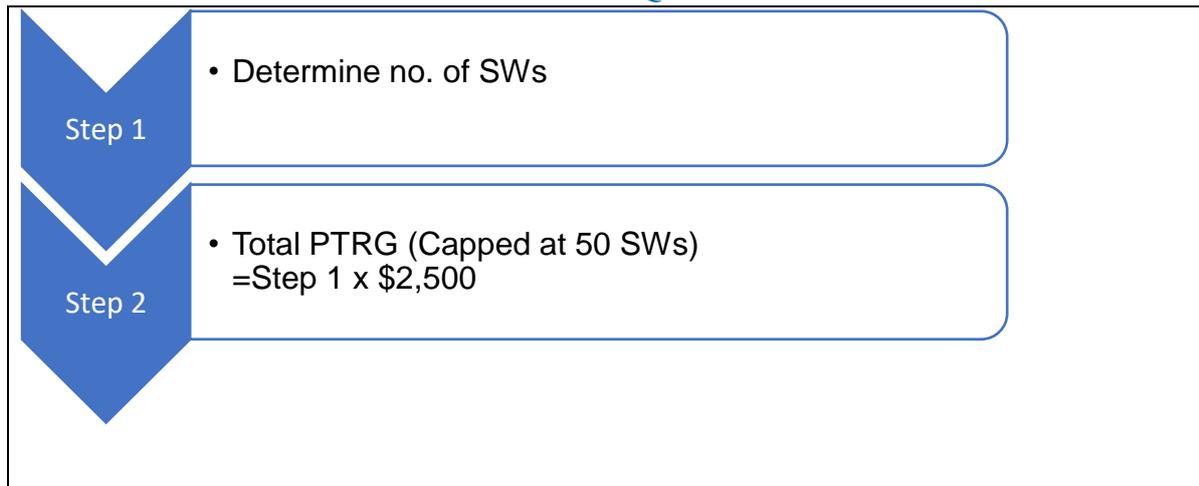
#### **What Is It?**

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. To qualify for PTRG, employers will also be required to adopt the Tripartite Standard on Age-friendly Workplace Practices (TS-AWP). This is to ensure that the companies implement good employment practices for 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

7. Employers have to complete the following deliverables before claiming.
  - a) Adopt the TS-AWP and provide the necessary documentation/information to show adoption of the standard
  - b) Furnish sail-through/updated HR policy on:
    - i. SWEAG: internal retirement and re-employment ages showing the increase from the current policy
    - ii. PTRG: the part time re-employment policy for SWs
  - c) Communicate the new HR policy in (b) to all employees (e.g. employer's staff website, circular/ memo, employee handbook issued).
  - d) Submit duly completed claim form that provides information on all senior workers.
  - e) Issue addendums (specific clauses will be provided) to employment contracts documenting the policy change in (b) to all employees:
  - f) For SWs, the addendums will need to be individually addressed to and signed by the SWs.
  - g) For all other workers, the addendums can be standardised without having to be individually addressed nor acknowledged.
  - h) Submit CPF Form 90 for all senior workers being claimed.
  - i) 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?

8. 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.

9. 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.

| <b>Programme Partners</b> | <b>NTUC's e2i</b>                                  | <b>SNEF</b>  |
|---------------------------|--|--|
| 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> |