

Employment & Benefits

Launch of M-SEP Scheme – Improved Flexibility to Hire S Pass and Work Permit Holders

On 13 December 2022, the Ministry of Manpower ("MOM") and the Ministry of Trade and Industry ("MTI") jointly announced the launch of the Manpower for Strategic Economic Priorities ("M-SEP") Scheme. Under it, qualifying firms will have the flexibility to temporarily hire S Pass and Work Permit holders above the prevailing Dependency Ratio Ceiling ("DRC") and S Pass sub-DRC.

Eligible firms can obtain additional S Pass and Work Permit quotas, subject to a cap of 50 workers per firm, of up to 5% above their base workforce headcount. The additional flexibilities under the M-SEP scheme will last for two years upon enrolment and may be renewed if renewal conditions are met.

To qualify, firms must satisfy both of the following conditions:

- (a) Condition One: Participate in programmes or activities aligned with one of the following key economic priorities (see [Annex A](#) for more details):
- Investments which support Singapore's hub strategy;
 - Innovation or Research & Development; and
 - Internationalisation.
- (b) Condition Two: Commit to hiring and/or training locals (see [Annex B](#) for more details). Examples include:
- Increase in net hiring of locals;
 - Workforce training resulting in job enhancement; and
 - Being an industry leader with training excellence.

Firms seeking to be eligible for M-SEP renewal will need to show that both conditions have been fulfilled by the end of the M-SEP support period and maintained their local workforce share during the same period. Failure to do so will result in suspension from the M-Sep Scheme for two years.

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More information (including FAQs and a list of required supporting documents) are available [here](#) on the MOM website.

Click on the following link for more information:

- [MOM Press Release titled "Launch of the Manpower for Strategic Economic Priorities \(M-SEP\) scheme to support firms' expansion plans"](#) (available on the MOM website at www.mom.gov.sg)

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