Bird & Bird ATMD

COVID-19 Employment Update

Understanding the Job Support Scheme in Singapore

April 2020



The Singapore government has introduced the Job Support Scheme (JSS), which provides all employers with wage subsidies to help cope with salary costs during the pandemic. The JSS generally involves 4 pay-out dates (April 2020, May 2020, July 2020 and October 2020), and the subsidies differ depending on sector (aviation and tourism will receive the highest subsidies).

In summary, due to the staggered nature and structure of the JSS, employers who wish to continue receiving support under JSS should maintain current salaries all the way to July 2020. If salaries are reduced any time after April 2020, the JSS pay-outs for subsequent months will be, accordingly, reduced; it is also possible for employers to find themselves having to "refund" the government for previous JSS pay-outs.

While the JSS goes some way in alleviating employers' burdens, it is not a panacea. Companies will have to carefully evaluate their HR options based on the business outlook for the rest of the year.

Appendix 1: For non-aviation, non-tourism and non-food sectors

Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	Jul'20
75% ("First Advance")	25% 75% ("Second Advance")	25%		25%	25%	75% <i>(Minus)</i> 50% of First Advance	75% <i>(Minus)</i> Second Advance	25%	25%

Appendix 2: For aviation and tourism sectors

Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	Jul'20
75%	7 <mark>5%</mark> 75% ("First Advance")	75%		75%	75%	75%	75% <i>(Minus)</i> First Advance	75%	75%

Appendix 3: For food sector

Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	Jul'20
75% ("First Advance")	<mark>50%</mark> 75% ("Second Advance")	50%		50%	50%	50% <i>(Minus)</i> 25% of First Advance	75% <i>(Minus)</i> Second Advance	50%	50%

Amounts paid in April 2020 Amounts paid in May 2020 Amounts paid in July 2020 Amounts paid in October 2020

Link to the JSS Calculator can be found <u>here</u>.

This article is produced by our Singapore office, <u>Bird & Bird ATMD LLP</u>, and does not constitute legal advice. It is intended to provide general information only. Please note that the information in this article is accurate as at 30 April 2020. We will continue to monitor the situation and provide updates on any changes as soon as these are communicated to us. Please contact our lawyers if you have any specific queries.

Contact Us

For queries or more information, please do not hesitate to contact any member of the employment team.

Seow Hui Goh Partner

Tel: +65 6428 9419 seowhui.goh@twobirds.com



Natasha Cheng

Tel: +65 6428 9847 natasha.cheng@twobirds.com



twobirds.com

Abu Dhabi & Amsterdam & Beijing & Berlin & Bratislava & Brussels & Budapest & Copenhagen & Dubai & Dusseldorf & Frankfurt & The Hague & Hamburg & Helsinki & Hong Kong & London & Luxembourg & Lyon & Madrid & Milan & Munich & Paris & Prague & Rome & San Francisco & Shanghai & Singapore & Stockholm & Sydney & Warsaw

The information given in this document concerning technical legal or professional subject matter is for guidance only and does not constitute legal or professional advice. Always consult a suitably qualified lawyer on any specific legal problem or matter. Bird & Bird assumes no responsibility for such information contained in this document and disclaims all liability in respect of such information.

This document is confidential. Bird & Bird is, unless otherwise stated, the owner of copyright of this document and its contents. No part of this document may be published, distributed, extracted, re-utilised, or reproduced in any material form.

Bird & Bird is an international legal practice comprising Bird & Bird LLP and its affiliated and associated businesses, which include Bird & Bird ATMD LLP as a Singapore law practice registered as a limited liability partnership in Singapore with registration number To8LL0001K.

Bird & Bird LLP is a limited liability partnership, registered in England and Wales with registered number OC340318 and is authorised and regulated by the Solicitors Regulation Authority. Its registered office and principal place of business is at 12 New Fetter Lane, London EC4A 1JP. A list of members of Bird & Bird LLP and of any non-members who are designated as partners, and of their respective professional qualifications, is open to inspection at that address.