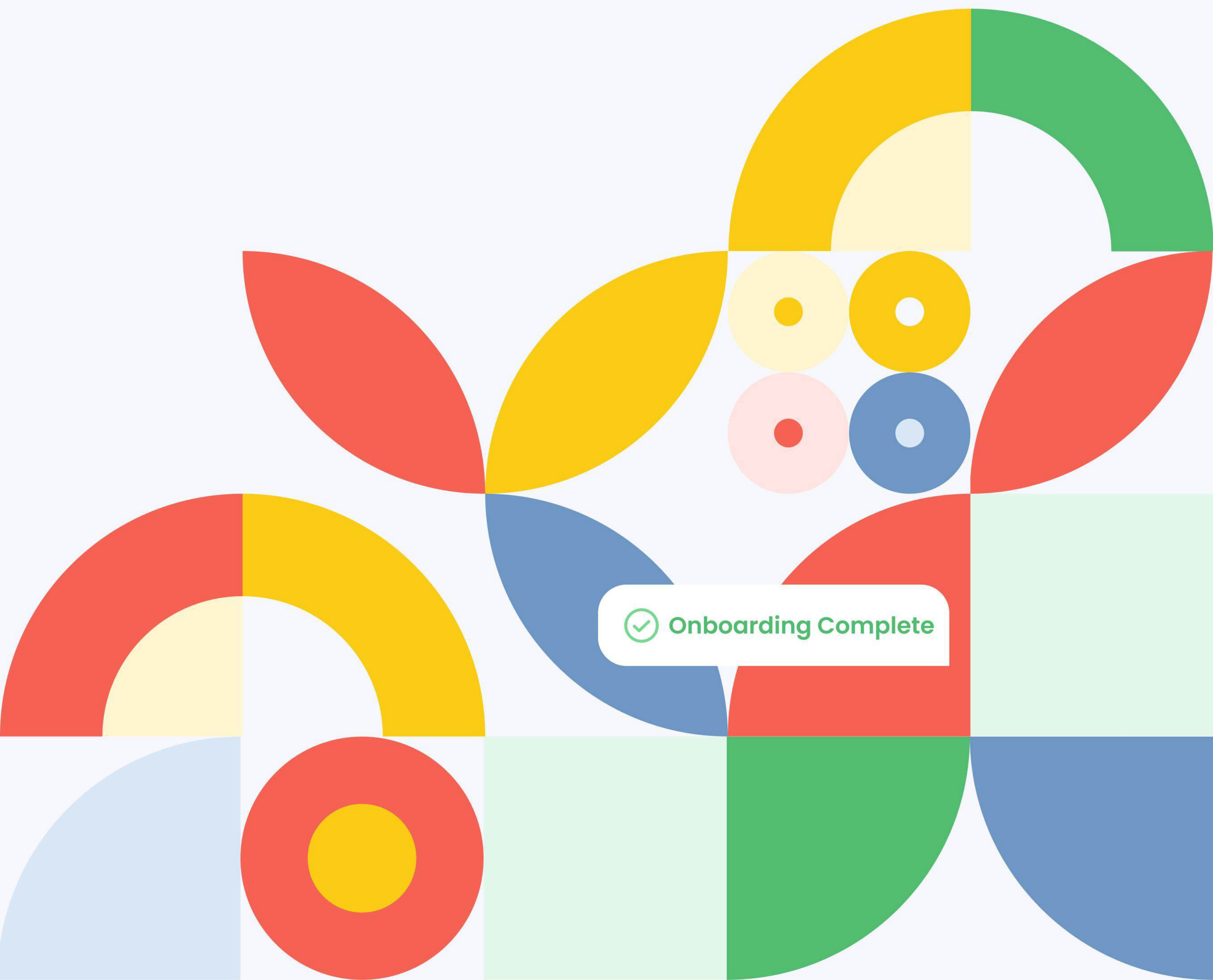


2025

The Global Hiring Guide for Singapore



Introduction

According to the [World Economic Forum](#), global digital jobs are expected to grow by 25% to over 90 million roles by 2030, making this the perfect time for businesses to expand their reach globally and attract top talent without geographical limitations.

If you're considering tapping into this growth, Singapore stands out as a key player.

In 2023, APAC maintained its position as the **fastest-growing hiring market**, with a remarkable



57% growth

in both domestic and international employment

making it a prime destination for global hiring.

What's included in this guide:

This guide is designed to equip you with the essential knowledge and information needed for understanding the complexities of the recruitment process within the Asia-Pacific region.



What you can expect:

Recruitment

Learn recruitment steps, sourcing channels, and best practices for **global recruitment** in Singapore.



Compliance

Navigate country-specific onboarding processes and **ensure compliance** with local labor laws.



Team Management

Discover strategies for **managing diverse, distributed teams** and fostering productivity and engagement.



Payroll & Finance

Understand **tax obligations, social security** contributions, and **payroll** requirements in Singapore.



By the end of this guide, you will be able to make informed decisions when it comes to global hiring within Singapore, enabling your business to thrive in the competitive global marketplace.



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In This Chapter:



Understanding The Labor Market



Hiring Foreign Workers



Taxes & Contributions



Process For Recruiting



Managing Your Workforce

Singapore



Understanding the Labor Market in Singapore

01

With its robust economy and business-friendly environment, Singapore is a great choice for organizations seeking to go global. Hiring foreigners in Singapore can be a strategic move for your organization if you wish to access specialized skills and tap into new markets.

Before we move on to what you need to know when hiring foreigners in Singapore, let's lay the groundwork covering the legal frameworks, minimum wage, working hours, and mandatory social contributions.

Understanding the legal frameworks

Here are certain legal frameworks you need to keep in mind when hiring foreigners in Singapore to ensure compliance and avoid penalties.

Employment Act

[The Employment Act](#) is Singapore's main labor law, outlining the terms and conditions for all employees. By familiarizing themselves with this act, employers can understand their obligations, ensuring compliance and avoiding legal issues when hiring in Singapore.

The act covers minimum wages, working hours, [annual leave entitlements](#), and termination procedures.

It also outlines specific responsibilities towards employees, including maintaining a safe working environment, [upholding fair employment practices](#), and ensuring timely salary disbursements.

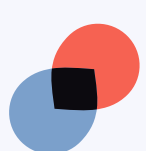
Adhering to these regulations will keep your [employees engaged](#) and your organization safe from legal issues.

Foreign Manpower Act

For businesses hiring foreigners in Singapore, understanding the [Foreign Manpower Act](#) is crucial. This law outlines the responsibilities, offenses, and penalties related to hiring in Singapore.

For example, foreign employees are required to have an [employment pass](#). Hiring without one can result in fines from **S\$5,000** to **S\$30,000** or up to one year of imprisonment.

The Act also covers salary, working hours, [public holidays](#), and leave for foreign employees. Therefore, it's crucial to review the Act thoroughly before hiring foreign workers to comply with regulations.





Personal Data Protection Act (PDPA)

Singapore's [Personal Data Protection Act \(PDPA\)](#) sets rules for how personal information can be collected, used, and shared. Organizations must ask for permission before gathering or using personal details, which should be used for specific, valid purposes with consent.

Employees have the right to know why their data is used, access their information, and request corrections. Organizations are responsible for safeguarding data from unauthorized access or misuse. Non-compliance can lead to fines up to **S\$1 million**.



Relevant read

⌚ 6 min read

[5 Ways Employee Database Software Elevates Your Business](#)



Work Injury Compensation Act (WICA)

[The Work Injury Compensation Act \(WICA\)](#) in Singapore establishes a framework for compensating employees for work-related injuries or illnesses, regardless of fault.

Under the act's provisions, employers are mandated to compensate affected employees to cover medical expenses, loss of earnings, and permanent incapacity arising from work-related incidents.

Employers must notify the **Ministry of Manpower (MoM)** and their insurer of accidents resulting in more than three days of medical leave, hospitalization, serious injury, or death. As for compensation, employees can file claims with their employer or the employer's insurer. Employers are responsible for processing these claims and providing compensation per the WICA.



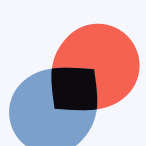
Minimum wage

Although there is no minimum wage in Singapore, the government has implemented the Progressive Wage Model (PWM) as a voluntary guideline to encourage employers to pay employees fairly and progressively.

The PWM covers all employees working full-time or part-time and sets wage benchmarks for different sectors and encourages employers to pay their workers higher wages as they gain experience and skills.

In essence, the model aims to increase wages through upgrading skills and increasing efficiency and productivity.

While not legally binding, the PWM has become a benchmark for many employers hiring in Singapore, and it is generally expected that companies will pay at or above the PWM levels.





Working hours

The standard workweek in Singapore employment is 44 hours. However, this can vary due to the industry, company policies, and employment contracts. In addition to the standard workweek, there are also specific regulations for overtime work, rest days, and [public holidays](#) that you need to consider when hiring foreigners in Singapore.



MediShield Life

A basic health insurance plan, administered by the CPF board, which helps to pay for large hospital bills and selected costly outpatient treatments, such as dialysis and chemotherapy for cancer.



Comcare

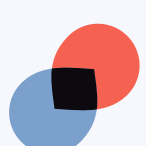
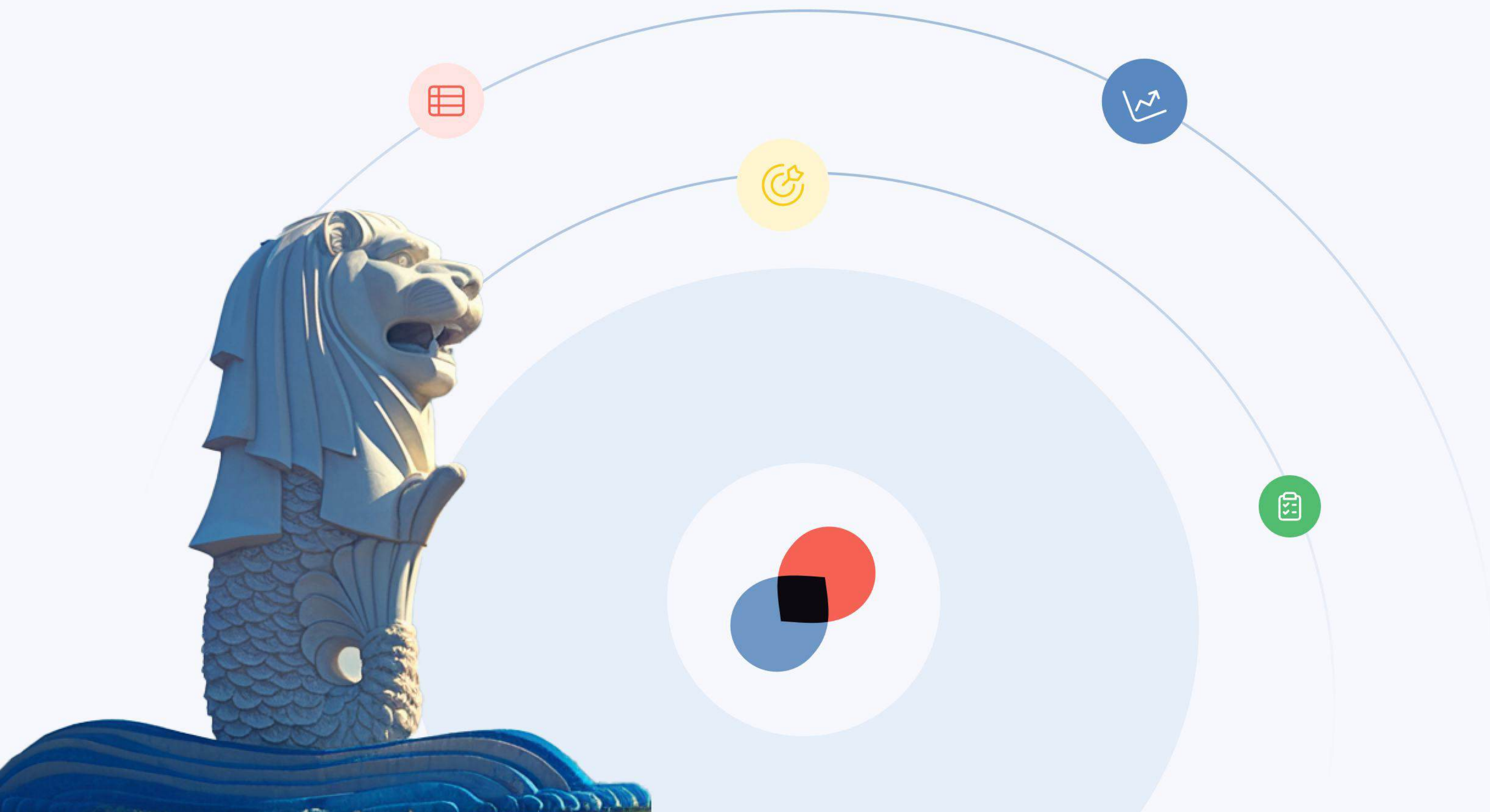
A government scheme that provides compensation to employees who suffer work-related injuries or diseases.



Central Provident Fund (CPF)

A mandatory social security savings scheme funded by contributions from both employers and employees.

It is a key pillar of Singapore's social security system that serves to meet retirement, housing, and healthcare needs.



Employment Process in the Singapore

Job description

To kickstart your process of hiring foreigners in Singapore, it's important to create a clear job description. This serves as a roadmap for both employers and potential candidates, outlining expectations, [job scope](#), and requirements for the position.

Screening and selection

During a [screening interview](#) when hiring in Singapore, HR will review candidates' resumes and prepare questions tailored to the role's requirements.

Instead of asking typical questions, consider posing situational inquiries that prompt examples of problem-solving, teamwork, and [leadership qualities](#).

Job offers

When hiring foreigners in Singapore, it is important to draft a comprehensive offer letter outlining the job title, salary, benefits, start date, and any contingencies. Include clear instructions for accepting the offer.

Have legal counsel review the materials to ensure compliance with relevant regulations and mitigate legal risks.

[Read next](#) 9 min read

Build Impactful Teams: 10 Google Interview Questions to Inspire Your Hiring Process

Once everything looks good, communicate offer details clearly and promptly, allowing room for negotiation within reasonable boundaries.

Maintain transparency throughout the process to build trust with the candidate.



Onboarding and Compliance in Singapore



Compliance

HR professionals in Singapore must comply with the Employment Act as mentioned previously. They also need to ensure compliance with Singapore's work permit and visa requirements for foreign hires. Different types of work passes, such as EP and S Passes, have specific eligibility criteria and application processes.

Employee benefits, such as healthcare coverage, CPF contributions, and statutory leave, should comply with Singaporean regulations. It's important to keep up with these laws as they are regularly updated.

Fair employment practices must be followed to [prevent discrimination](#) based on race, gender, religion, or nationality.

Additionally, maintaining accurate records of all hiring-related documents, including job descriptions, resumes, interview notes, and employment contracts, is essential for showcasing compliance with legal requirements and facilitating audits if necessary.



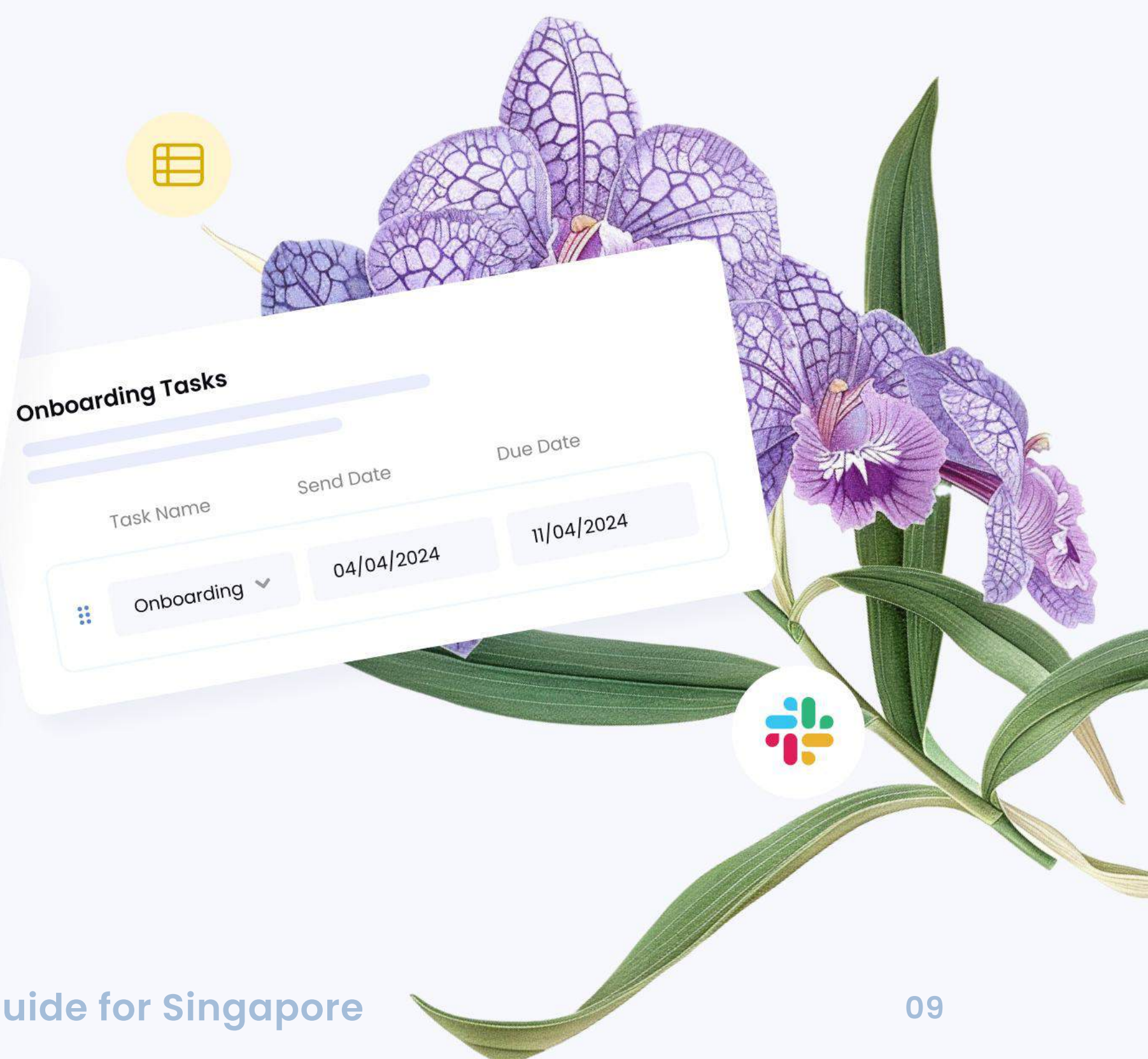
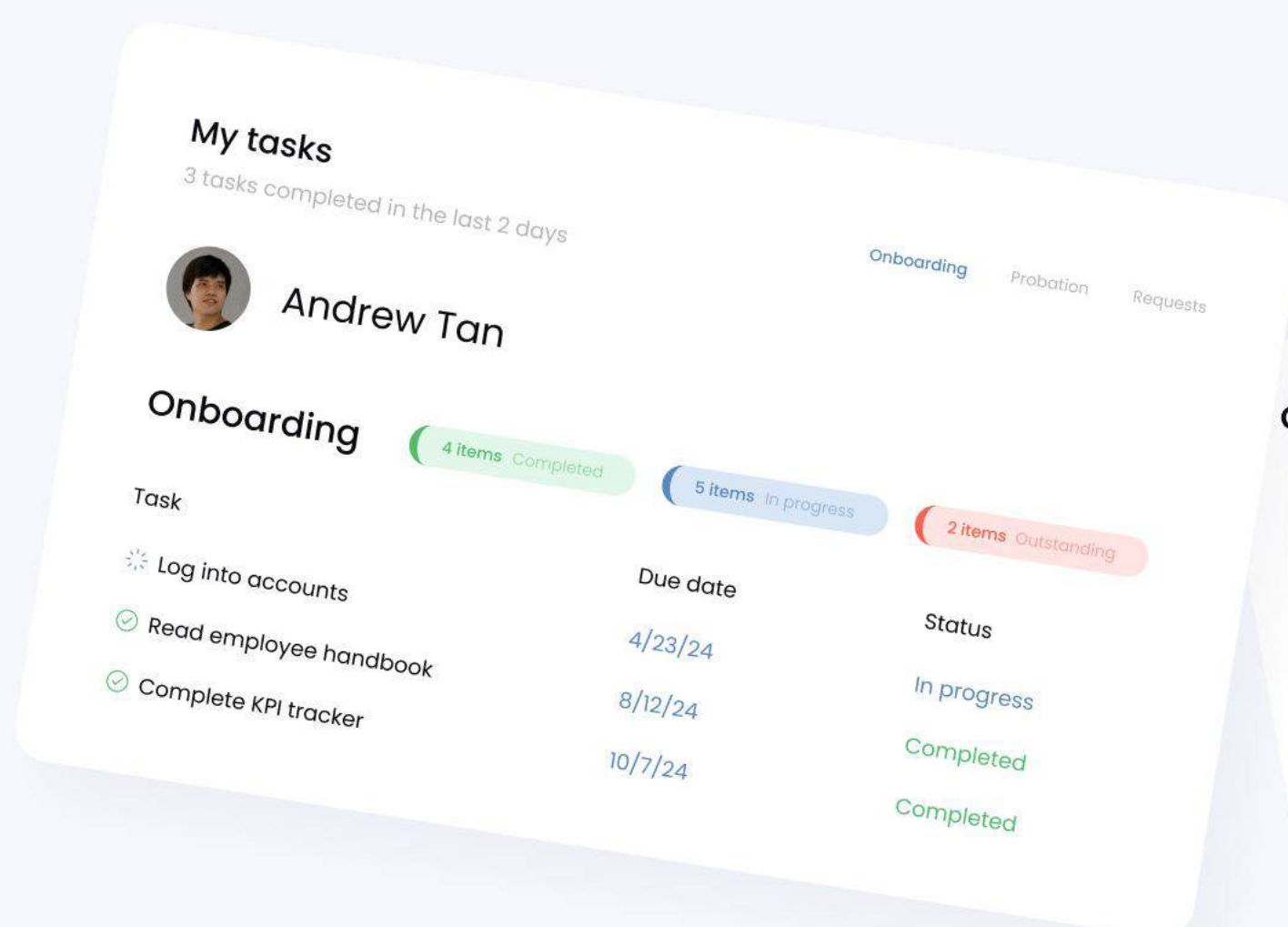
Employment contracts

Craft an employment contract that complies with Singaporean laws and reflects the agreed-upon terms, covering probationary periods, notice periods, termination conditions, and confidentiality agreements.

Read next

⌚ 6 min read

What to Include in an Employment Contract





Employment pass system

[The Employment Pass \(EP\) system](#) is a work visa scheme designed to smoothen the process for organizations in Singapore hiring foreigners. It's designed for foreign professionals, including managers, executives, and specialists. It allows them to live and work in Singapore for a set period, typically one to two years, with the option to renew.



Eligibility

Candidates must meet a two-stage eligibility framework to qualify for EP applications. They need to earn an EP-qualifying salary, which is **S\$5,600** for most sectors and **S\$6,200** for the financial services sector. Additionally, they must pass the [complementarity assessment framework \(COMPASS\)](#) and score at least 40 points based on salary, qualifications, diversity, and support for local employment.



Validity period

Employment passes are typically issued for one to two years, depending on qualifications, job role, and the employer's track record.

Renewal is subject to continued employment and meeting eligibility criteria.



Minimum salary requirements

The Singaporean government sets minimum salary thresholds for different Employment Pass categories. These thresholds are regularly reviewed to ensure competitive salaries based on skills and experience.



Employer sponsorship

An Employment Pass application must be sponsored by a registered Singaporean employer.

Employers are responsible for submitting EP applications and ensuring compliance with immigration regulations.



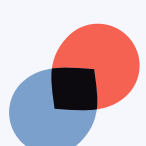
Induction training

When it comes to [how to welcome new employees](#), it's all about making them feel like part of the family from the get-go by [delivering the best onboarding experience](#). Start by introducing them to the company culture, values, and key team members. Provide thorough training on essential tools, systems, and processes relevant to their role to ensure they can contribute effectively from the start. To prevent new employees from feeling left out or isolated, pairing them with a mentor or buddy can facilitate integration into the team and provide ongoing support.

To prevent new employees from feeling left out or isolated, pairing them with a mentor or buddy can facilitate integration into the team and provide ongoing support. Encourage open communication and feedback to address any questions or concerns they may have. [Celebrate their successes and milestones](#) to foster a sense of belonging within the organization.

Free Onboarding Kit!

[Download Now](#)



Managing Your Employment in Singapore

04

When it comes to Singapore employment management, you need to ensure compliance with local labor laws and maintain a positive workplace environment and optimize productivity. Here are some key areas to focus on:



Payroll and benefits



Compliance with regulations

Ensure that payroll processes comply with Singapore's employment laws and relevant regulations.



Benefit administration

Effectively manage various benefits such as medical insurance, CPF, and any other fringe benefits offered.



Accurate wage calculations

It's important to calculate wages, allowances, and deductions correctly, considering factors mentioned above like overtime, public holidays, and CPF contributions.



Tax compliance

Ensure that all necessary tax deductions and filings are made in accordance with Singapore tax laws.



Leave management

1 Leave entitlements

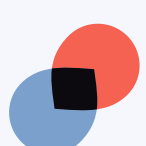
Understand and implement leave policies, including annual leave, sick leave, [maternity leave](#) and paternity leave.

2 Leave tracking

Maintain accurate records of employee leave to ensure compliance and prevent misuse.

3 Leave approval process

Establish clear procedures for requesting and approving leave, considering factors like workload and operational requirements.





Performance management

- 1 **Performance reviews:** Conduct regular [performance reviews](#) to assess employee performance, identify areas of improvement, and [reward achievements](#).
- 2 **Performance improvement plans:** Implement [performance improvement plans](#) for employees who require additional support or training.
- 3 **Regular feedback:** Provide constructive feedback and coaching to help employees develop and [improve performance](#).



Employee relations

- 1 **Cultural sensitivity:** When hiring foreigners in Singapore, it's important to recognize and respect cultural differences to create an inclusive and welcoming workplace environment.
- 2 **Employee engagement:** Implement initiatives to enhance [employee engagement](#), satisfaction, and loyalty.
- 3 **Conflict resolution:** Develop effective strategies for resolving workplace disputes and conflicts.



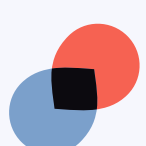
Ongoing Compliance

Maintaining compliance post-hiring in Singapore requires staying updated with labor laws and regulations. Start by establishing clear policies and procedures that align with local legislation, covering areas like employee contracts, working hours, leave entitlements, and workplace safety. Regular audits and reviews of these policies help identify any gaps or updates needed.

Providing continuous training and education on compliance for employees and managers is also critical to maintaining adherence to regulations.

Staying connected with legal experts or consultants who specialize in Singaporean labor laws can provide additional support in navigating any compliance challenges that may arise.

For a detailed guide on compliance areas to monitor, refer to our [2024 HR compliance checklist!](#)



Taxes and Contributions in Singapore



Employer obligations

- **Central Provident Fund (CPF)**

Employers are obligated to contribute a portion of their employees' salaries to the CPF. The contribution rates vary depending on the age of the employee.

Here's a breakdown of the CPF contribution rates for 2023:

CPF contribution rates for 2023	
Age group	Employer contribution rate
55 and below	20%
55 to 60	13.67%
60 to 65	7.33%
65 and above	0%



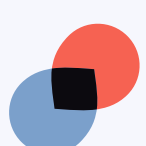
Contribution rates may be adjusted periodically based on economic conditions. Employers are also responsible for submitting monthly CPF contributions reports to the CPF board.

- **Foreign Worker Levy**

Employers are required to pay a levy for each foreign worker they employ, based on the worker's nationality and occupation. Employers must also ensure that they are paying the correct levy and that their foreign workers have valid work permits.

- **MediShield Life**

Employers must ensure that all employees are covered by [MediShield Life](#). Employers may also be required to contribute to their employees' MediShield Life premiums, depending on the company's size and the employees' income. Last but not least, employers must ensure that employees are enrolled in MediShield Life and required contributions are made in a timely manner.



- **SkillsFuture Credit**

Employers can choose to support their employees’ skills development by contributing to their [SkillsFuture Credit](#) through the Top-Up scheme.

Employee obligations

- **Income Tax**

Singapore adopts a progressive income tax system, and employees are required to file income tax returns every year.

Here are the income tax rates for the year of assessment 2023/2024:

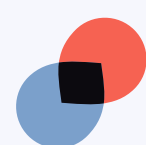
Income tax rates for 2023/2024	
Total income (SGD)	Tax rate
First 30,000	0%
Next 30,000	2%
Next 40,000	5%
Next 60,000	10%
Next 100,000	15%
Next 100,000	20%
Excess over 420,000	22%



Read next

10 min read

Employer’s Manual for Taxation in Singapore



- **Central Provident Fund (CPF)**

Employees must contribute a portion of their salary to the CPF as per regulations.

Rates may vary depending on age as per below:

CPF contribution rates	
Age group	Employer contribution rate
55 and below	20%
55 to 60	20%
60 to 65	20%
65 and above	20%

- **MediShield Life**

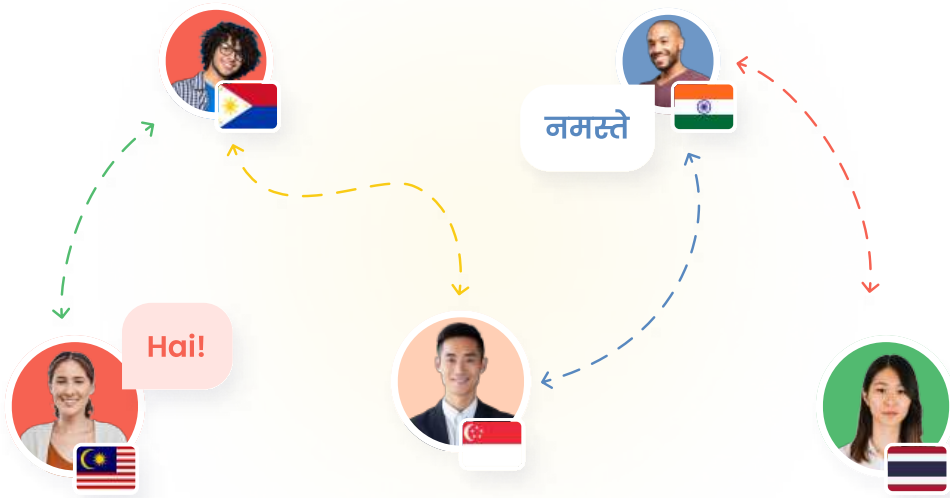
Employees are automatically enrolled in MediShield Life but may need to pay premiums, depending on their income.

Employees may also consider purchasing supplementary insurance to enhance their healthcare coverage beyond MediShield Life.

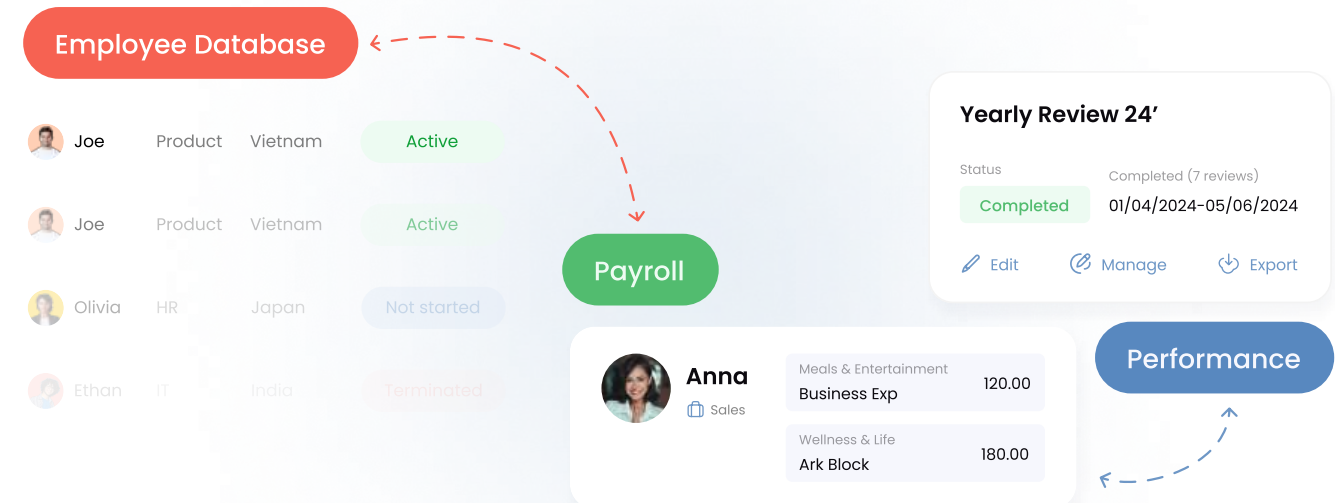


Manage Your Distributed Team with Omni

Omni makes it easy to support distributed teams across multiple locations, time zones, and currencies across Asia Pacific

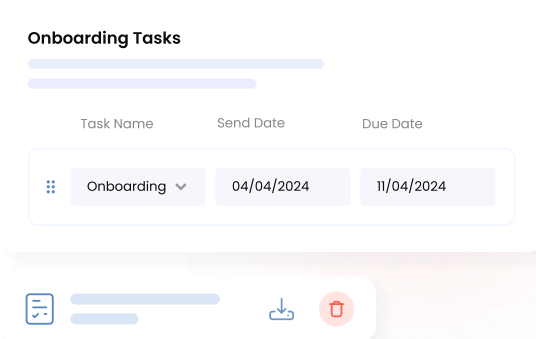


Our **expert support** and **multi-country payroll** features help you manage your distributed workforce efficiently, ensuring compliance with local laws and regulations in 190+ countries and 10+ languages.

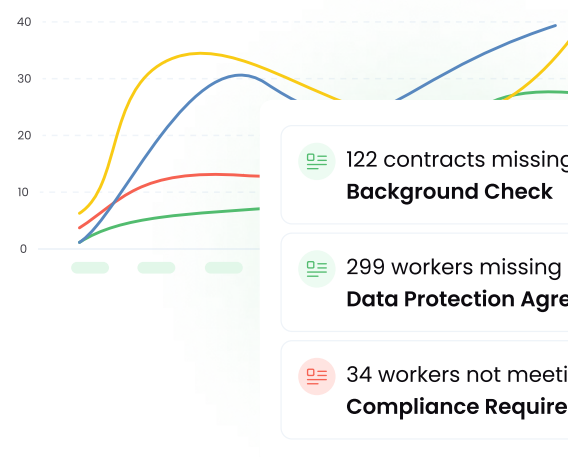


Centralized document management to help make gathering the necessary data required to apply for **employment passes**, **rental schemes**, and other country-specific initiatives seamless and timely.

Automated Payroll

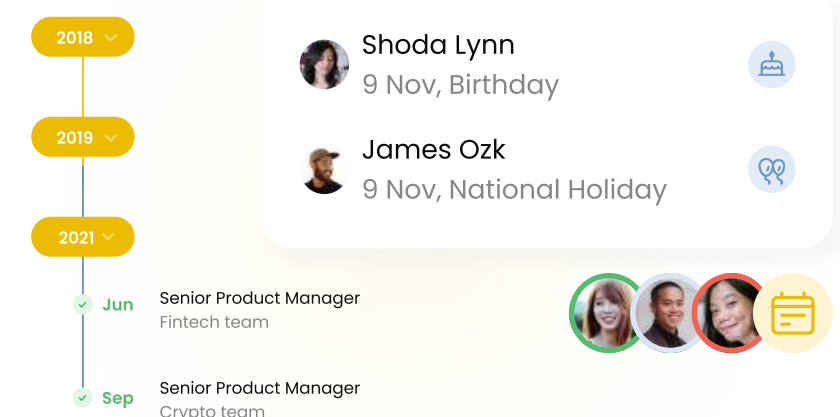


Customized workflows and automated reminders empower your employees to manage the deadlines and documentation requirements for applications and renewals.



122 contracts missing a Background Check	Review
299 workers missing a Data Protection Agreement	Review
34 workers not meeting Compliance Requirements	Review

Real-time, **secure data** allows easy access to accurate salary information and produces customized reports and documentation necessary for verification and compliance.



A customizable **employee portal** for teams to set and manage calendars pre-loaded with country- or region-specific holidays and time zones, seamlessly onboarding individuals in various locations and supporting leave management across borders.

Book a demo with our team to learn more about how Omni can support your global workforce.

Want to **hire globally** but **lack a local presence**?

An employer of record can help. Download Omni's Global Employer of Record Guide for Singapore now!

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