Improving the welfare of platform workers in Singapore

Introduction

The gig economy has overturned conventional conceptions about work and employment. In the 20th century, workers in the developed world generally served a single employer under an employment contract. Employers were responsible for workers' welfare and paid an agreed-upon salary. Employment legislation, labour organisation, and pension and medical schemes were premised on these assumptions. Today, however, such assumptions have been challenged by the gig economy, forcing policy-makers and organised labour around the world, and in Singapore, to rethink their approach to supporting worker welfare.

Firms have always paid independent workers to complete tasks without employing them. Hence, gig workers – workers paid by task[1] – are not new. What is unique about today's gig economy is its scale. In 2016, McKinsey estimated that up to 20-30% of the total working age population (some 162 million) in Europe and the United States engage in part-time or full-time independent work.[2] In 2018, 8-10% of Singapore's resident workforce (200,100) were self-employed (did *full-time* independent work).[3] Judging from European and US trends, this number could rise.

A key factor contributing to the gig economy's expansion was the improvement of technology. This facilitated the matching of workers to tasks and supported workers in carrying out the tasks. However, such technology created network effects and hence gave large firms great market power. This could harm worker welfare.

This case study focuses on the welfare of private hire drivers[4] and food delivery couriers in Singapore – henceforth, "platform workers". It considers worker, rather than consumer or economic, welfare. First, the case study provides background on Singapore's platform workers and analyses the problems platform workers face. It also discusses the policy options considered in

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[1] Deloitte. "Leading the Social Enterprise - Deloitte Human Capital Trends 2019." Deloitte, 2019. https://www2.deloitte.com/content/dam/insights/us/articles/5136_HC-Trends-2019/DI_HC-Trends-2019.pdf.

[2] James Manyika, Jacques Bughin, Susan Lund, Jan Mischke, Kelsey Robinson, and Deepa Mahajan. "Independent Work: Choice, Necessity, and the Gig Economy." McKinsey & Company (McKinsey Global Institute Report), October 2016. https://www.mckinsey.com/featured-insights/employment-and-growth/independent-work-choice-necessity-and-the-gig-economy.

[3] Tripartite Workgroup on Self-Employed Persons. "Support for Self-Employed Persons." February 15, 2018. https://www.mom.gov.sg/~/media/mom/documents/press-releases/2018/0222-tripartite-workgroup-report-on-self-employed-persons.pdf, p9. People working in the gig economy only constitute part of these numbers, which include, for example, small business owners. Numbers for those who work in the gig economy, or those who do part-time independent work, are not available.

[4] Private hire services for motorcycles are not allowed in Singapore.

This case was written by Zeng Hongde, Nicholas under the guidance of Visiting Associate Professor Andrew Francis-Tan, Lee Kuan Yew School of Public Policy (LKY School), National University of Singapore and has been funded by the LKY School. This case does not reflect the views of the sponsoring organisation nor is it intended to suggest correct or incorrect handling of the situation depicted. The case is not intended to serve as a primary source of data and is meant solely for class discussion. This case is based on publicly available sources and covers material and events up to December 2019.

other countries and the measures taken in Singapore to improve platform worker welfare. Finally, the case study raises questions on what more could be done.

Background

Arrival of the platforms

Ride-hailing (private hire) firms arrived in Singapore in 2013,[5] disrupting the transport industry. The merger of Grab and Uber in 2018[6] caused concerns that Grab would have monopoly power. In late 2018 however, Gojek entered the Singapore market.[7] By December 2019, a significant proportion (6%) of all journeys in Singapore was completed on taxis and private hire vehicles.[8] Grab also ran the largest[9] food delivery service in Singapore. Its competitors were Deliveroo and Foodpanda.

Ride-hailing and food delivery firms (platforms) brought many advantages to Singapore. Ride-hailing companies competed with taxi companies, giving the latter the impetus to improve service. Platforms provide undeniable convenience to consumers, had the potential to reduce congestion through reducing vehicle ownership, and boosted some restaurants' revenues. Unsurprisingly, platforms were welcomed by consumers and permitted by the government. Moreover, their arrival coincided with the government's push to make Singapore a Smart Nation; these services were taking root around the world and would not be easily resisted.

Who are the service providers?

Common sense might suggest that Grab or Deliveroo provided services through employing staff. The reality was more complex. Platform workers were *not* classified as employees, even if they did platform work full-time, but as independent service providers. They were classified as self-employed persons (SEPs), just like business owners, or providers of ad-hoc consultancy services. This has important implications.

SEPs in Singapore

In 2018, SEPs formed 8 – 10% of the resident workforce in Singapore. This proportion had remained stable for the past decade.[10] The number has tended to be sensitive to the labour market – it

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[5] Kenneth Cheng. "The Big Read: Private-Hire Drivers Face Roadblocks as They Seek Way out of Once-Lucrative Industry." *CNA*, September 4, 2018. https://www.channelnewsasia.com/news/singapore/private-hire-drivers-face-roadblocks-reskilling-retraining-jobs-10678820.

[6] Ibid.

[7] Agence France-Presse. "Indonesia's Go-Jek Enters Singapore Market, Challenges Grab." *The Jakarta Post*, November 29, 2018. https://www.thejakartapost.com/news/2018/11/29/indonesias-go-jek-enters-singapore-market-challenges-grab.html.

[8] Public Transport Council. "New Regulatory Framework For The Point-To-Point (P2P) Transport Sector." PTC.gov.sg, August 6, 2019. https://www.ptc.gov.sg/newsroom/news-releases/newsroom-view/new-regulatory-framework-for-the-point-to-point-transport-sector. Unfortunately, the relative proportion of taxi and private hire vehicle journeys is not available, as private hire firms do not release their trip data.

[9] Clement Yong. "About 1,000 Delivery Riders Register to Give up e-Scooters as $7m Trade-in Scheme Kicks Off." *The Straits Times*, November 16, 2019. https://www.straitstimes.com/singapore/about-1000-delivery-riders-register-to-give-up-e-scooters.

[10] Tripartite Workgroup. "Support for Self-Employed Persons". p9.

declined from 2017 to 2018 as labour market conditions improved.[11] Nonetheless, most SEPs (80%; figure from 2018) preferred self-employment over regular employment, largely due to greater autonomy.[12]

As of December 2019, there were two key differences between SEPs and employees. First, the Employment Act (Exhibit 1 describes key provisions), which stipulated mandatory leave, rest, and other employee rights, did *not* apply to SEPs. Second, employees and employers were required to make mandatory contributions to all three Central Provident Fund (CPF) accounts, which provided for retirement income and medical expenses (Exhibit 2). However, SEPs received no contribution from service buyers, and were only required to contribute to the Medisave Account.[13] Hence, platform workers were not protected by employment legislation and had lower levels of compulsory savings.

Extent of platform work in Singapore

Estimating the number of platform workers, and how many do it full-time, has not been easy. Private hire drivers required a Private Hire Car Driver's Vocational Licence (PDVL). In 2019, 41,000 held a PDVL, and many were young – 44.4% are between 20 to 39 years old.[14] However, not all license holders might be active. The Ministry of Manpower estimated that there were 21,200 private hire drivers in 2018,[15] constituting 0.9% of the resident labour force.[16] Grab, the larger ride-hailing platform, claimed in 2019 that the 'vast majority' of younger drivers drove only on a part-time or casual basis.[17] For food delivery, there were 22,000 workers in 2018[18] (1% of resident labour force).[19] Workers for Deliveroo and Foodpanda were mostly below 32 years old and comprised largely students and part-timers.[20] A small survey of 200 platform workers in 2019 found that one in four did it full-time.[21] Hence, platform workers were mostly young and generally did platform work part-time; nonetheless, the number of full-timers was not insignificant.

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[11] Feng-Ji, Sim and Tze Jiat, Lim. "Stronger Support for Gig Workers Today." *The Straits Times* (Forum Page), December 10, 2019.
[12] Tripartite Workgroup. "Support for Self-Employed Persons". p16.
[13] Ibid. p23. See Exhibit 2 for more details on CPF contribution rates.
[14] Boon Wan, Khaw. "Written Reply by Minister for Transport Khaw Boon Wan to Parliamentary Question on Breakdown of Taxi Drivers and Private Hire Drivers by Age Group." Ministry of Transport, May 6, 2019. https://www.mot.gov.sg/news-centre/news/Detail/written-reply-by-minister-for-transport-khaw-boon-wan-to-parliamentary-question-on-breakdown-of-taxi-drivers-and-private-hire-drivers-by-age-group/.
[15] Sin, Yuen and Janice Tai. "New Poll Highlights Concern over Gig Workers' Prospects." *The Straits Times*, November 17, 2019. https://www.straitstimes.com/singapore/manpower/new-poll-highlights-concern-over-gig-workers-prospects.
[16] The resident labour force in 2018 was 2,292,700, based on the following source: Ministry of Manpower Singapore. "Summary Table: Labour Force." Labour Market Statistical Information, November 28, 2019. https://stats.mom.gov.sg/Pages/Labour-Force-Summary-Table.aspx.
[17] Aaron Chong. "Flexibility, Being Your Own Boss, Decent Income: Why Younger People Are Working as Private Hire Drivers." *CNA*, June 10, 2019. https://www.channelnewsasia.com/news/singapore/young-people-private-hire-drivers-grab-gojek-11601934.
[18] Yuen and Tai, "New Poll Highlights"
[19] Ministry of Manpower Singapore. "Summary Table: Labour Force."
[20] Angela Teng. "The Perks and Perils of Being a Food Delivery Rider." *TODAY*, January 6, 2018. https://www.todayonline.com/singapore/perks-and-perils-being-food-delivery-rider. Information on the profile of workers for Grab, the largest platform, is not available.
[21] Yuen and Tai, "New Poll Highlights"

Profile of platform workers

Based on interviews with 50 platform workers, a Straits Times article in 2019 divided the workers into five groups.[22] These have been reduced to four[23] in the following taxonomy:

No alternative

These workers, which could include ex-offenders, single parents and people with low educational qualifications, are unable to find other work for reasons including social stigma, need for flexible working arrangements or lack of skills and credentials. They do full-time platform work and constituted one in five of the 50 interviewed.

Need additional money

These take on platform work on top of regular jobs to earn income to cover expenses or finance purchases.

Transitioning

Their platform work is a temporary measure due to the loss of a job or the desire to increase savings. Half of the 50 polled fell into this category. Some end up as permanent platform workers.

A better option

These have some skills and credentials (usually Institute of Technical Education (ITE) certificates or polytechnic diplomas) but prefer to do platform work full-time as it pays better.

These groups are summarised in the matrix below, using the dimensions of proportion of income from platform work and degree of choice regarding engagement in platform work.[24]

	Primary income	**Supplementary income**
Preferred choice	A Better Option	Transitioning
Out of necessity	No Alternative	Need Additional Money

These show that platform workers differ in their dependence on platform work and the quality of other options. The greater the former and the worse the latter, the more a platform worker will be affected by the issues surrounding platform work.

[22] Sin, Yuen and Janice Tai. "5 Types of Gig Economy Workers." *The Straits Times*, November 17, 2019. https://www.straitstimes.com/singapore/5-types-of-gig-economy-workers.
[23] One group, in which both working adults in a family do platform work full-time, has been dropped, as it is likely to constitute a small proportion of platform workers; moreover, it does not, like the others, classify the individual worker.
[24] Matrix adapted from classification of platform workers in Manyika et al. "Independent Work".

Problems faced by platform workers

Platform workers are vulnerable because of three factors – first, their uncertain status; second, the business model of platforms which takes autonomy away from workers; third, the nature of platform jobs.

Several worker welfare issues arise from these. They apply to a greater extent to full-time platform workers and/or those groups, discussed in the preceding section, who depend heavily on platform work. Nevertheless, all platform workers are affected. In discussing the following issues, insights from local and foreign contexts have been included.

Vulnerability to exploitation

Kaine and Josserand argued that platforms could construct contracts to avoid labour regulations applying to employees.[25] As discussed above, in the Singapore context, this means that the Employment Act's provisions for worker welfare would not apply to platform workers. Hence, platform workers' reported earnings were inflated, as they excluded the paid medical leave, public holidays and other paid leave days employees have. More worryingly, the key legislative mechanism to improve working conditions – the Employment Act – was irrelevant for platform workers, leaving them out of progressive social policies.

Other specific issues make platform workers vulnerable to exploitation.

Unable to unionise

Low-waged, blue-collar workers are generally able to improve their working conditions and wages through collective bargaining with large employers. This fits the description of platform workers. However, platform workers are often not allowed to join unions and/or engage in collective bargaining. In Australia, gig workers could not organise collectively as they were not considered employees.[26] The academic literature on gig work found that courts were 'reluctant to recognise collective bargaining rights for gig workers'.[27] Legislation hence prevented the formation of a counterweight to the monopsonist (or oligopsonist) power of the platforms. The situation was similar in Singapore where SEPs could not form a trade union.[28]

[25] Sarah Kaine and Emmanuel Josserand. "The Organisation and Experience of Work in the Gig Economy." *Journal of Industrial Relations* 61, no. 4 (2019): 479-501. p484.
[26] Andrew Stewart and Jim Stanford. "Regulating Work in the Gig Economy - What Are the Options?" Economic and Labour Relations Review (pre-publication paper), 2017. https://d3n8a8pro7vhmx.cloudfront.net/theausinstitute/pages/2530/attachments/original/1508324763/Gig_Symposium_PrePub_Stewart_Stanford.pdf?1508324763. pp8-9.
[27] Kaine and Josserand. "The Organisation and Experience". pp486-487.
[28] Employers and workmen can form trade unions. Only those under a contract *of* service (Exhibit 1) are defined as workmen. Hence, self-employed persons are excluded. Trade Unions. Attorney General's Chambers, Legislation Division, Singapore. "Trade Unions Act." Singapore Statutes Online. Accessed December 24, 2019. https://sso.agc.gov.sg/Act/TUA1940. Part I, Section 2.

Platforms control working conditions

While many enjoy platform work for its flexibility in work hours and working conditions, there are limits to such autonomy. A 2019 study of food delivery couriers in Australia showed that, while some felt they had 'complete control over their job'[29], others felt the opposite, as the apps control the delivery process, allocating jobs to riders instead of giving them a real choice, and leave them with no control over the share of income they receive.[30] The authors also pointed out that platforms use 'algorithmic management', tracking worker performance using metrics like speed, acceptance and cancellation rate.[31] Choudary, in research for the ILO in 2018, suggested that such use of monitoring technology and asymmetries of information between platform and worker[32] could lead to workers being exploited.

Hence, platforms influence working conditions. They also control working hours. Choudary suggested that incentives were used to encourage high levels of activity.[33] To make a decent income, workers must put in long hours, perhaps longer than they would like to work. This "gamification" of work also uses the insights of behavioural economics to influence workers to give up their flexibility and autonomy.

Vulnerability to customer ratings

Finally, platforms' business models have made workers extraordinarily vulnerable to customer ratings. Incentives depend on good ratings and reputation, making the customer truly king. Choudary argued that this has led to a power imbalance between customers and workers.[34] Moreover, platform workers take the blame for factors beyond their control. If a private hire driver comes late, due to a miscalculation by the platform, the driver's rating, not the platform's reputation, takes the brunt of the impact; if a restaurant takes too long to prepare the food, the courier is punished for the long delivery time through a poorer rating, and hence, a lower income.

Low and uncertain incomes

Ostensibly high incomes attract many to platform work. A private hire driver earned $6,000 a month by driving 9 hours a day in 2017[35] – higher than the median income ($4,232) of Singapore residents in 2019.[36] However, such figures might not be representative, and it was likely that such generous incentives were used by platforms to gain market share and were later cut back.

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[29] Caleb Goods, Alex Veen, and Tom Barratt. "Is Your Gig any Good?" Analysing Job Quality in the Australian Platform-Based Food-Delivery Sector." *Journal of Industrial Relations* 61, no. 4 (2019): 502-527. p512.
[30] Ibid. p513.
[31] Ibid. pp505-506
[32] Sangeet Paul Choudary. "The Architecture of Digital Labour Platforms: Policy Recommendations on Platform Design for Worker Well-Being." International Labour Organisation - Future of Work Research Paper Series, 2018. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_630603.pdf. pp10-11.
[33] Ibid. p21.
[34] Ibid. p16.
[35] Kenneth Cheng. "More Young Drivers Joining Grab, Uber Full Time." *TODAY*, March 12, 2017. https://www.todayonline.com/singapore/more-young-drivers-joining-grab-uber-full-time.
[36] Ministry of Manpower, Singapore. "Summary Table: Income." Labour Market Statistical Information, November 28, 2019. https://stats.mom.gov.sg/Pages/Income-Summary-Table.aspx.

Drivers' experiences reflected this. One lamented that in 2015, he drove eight hours a day and earned $2,500 monthly, but in 2018, he earned only $2,000 driving 10 hours daily.[37] Another driver suggested that earning $4,000 monthly in 2018 (close to the median income) was possible, but only by driving 18 [!] hours a day.[38] A food delivery courier interviewed in 2018 rode 10 hours a day, five to six days a week, and earned $3,000 - $4,000 each month[39] – substantially below the median income.

As such, incomes in reality were not high. Of 200 platform workers surveyed in the 2019 poll cited earlier, half earned $1,500 or less monthly from platform work, placing them, if this was their sole income source, in the bottom third of income earners.[40] Moreover, platform workers are vulnerable to platforms' moves to reduce incentives or service fees, which are not unlikely, given that platforms have power to set prices. As labour economist and Nominated Member of Parliament Walter Theseira opined, 'the gig economy really is an oligopoly – the delivery companies are free to change compensation at will'.[41] Changes in market structure did in fact have an appreciable impact on incomes – many drivers blamed the Grab-Uber merger in 2018 for a reduction of incentives.[42]

No protection against loss of income

Many companies provide insurance as a socially expected benefit for employees; not so for platform workers. A 2019 Australian study found that work for food delivery platforms was perceived as failing to meet the traditional standards underpinning 'societal commitments to decent work'.[43] The Tripartite Workgroup for Self-Employed Persons in Singapore (TWSEP) – comprising the National Trades Union Congress[44] (NTUC) which represented organised labour, the government, and employers – concluded in 2018 that there was no provision for loss of income due to illness or injury for SEPs.[45] While in theory platform workers could buy individual personal insurance, premiums would be high, as there is no risk pooling. Hence, workers are exposed to risks of injury and loss of income but are not insured.

Lack of retirement adequacy

Savings for retirement in Singapore were managed through the CPF system, comprising two main components – retirement savings and medical savings. For retirement savings, SEPs were exempted from compulsory contributions. While voluntary contributions were an option, this was not well-

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[37] Cheng. "The Big Read".
[38] Ibid.
[39] Angela Teng. "The Perks and Perils of Being a Food Delivery Rider." *TODAY*, January 6, 2018. https://www.todayonline.com/singapore/perks-and-perils-being-food-delivery-rider.
[40] Yuen and Tai, "New Poll Highlights"
[41] Yuen and Tai. "5 Types".
[42] Cheng. "The Big Read".
[43] Goods, Veen and Barrat. "Is Your Gig". p517.
[44] A confederation of trades unions in Singapore which works to promote the interests of workers.
[45] Tripartite Workgroup. "Support for Self-Employed Persons". p21.

taken up,[46] possibly because SEPs' incomes fluctuated and they needed a larger cash store.[47] This posed a problem for retirement adequacy. Exhibit 3 shows how a freelancer would have substantially lower CPF savings than a regular employee;[48] the same would apply for a platform worker. This impacts retirement income: a 2018 report noted that 86% of workers aged 55 and above had enough CPF savings to meet the CPF basic retirement sum (ensuring a $720-$770 monthly annuity), in comparison to only 42% of SEPs.[49] Due to their low incomes, the percentage for platform workers might be even lower.

Medisave contributions were compulsory for SEPs. However, medical expenses were an issue – the same report noted that only 25% of SEPs met their Medisave contributions.[50] This could be due to inconvenience, low incomes or simply not valuing saving. Platform workers hence risked lacking savings for both living and medical expenses in retirement.

A more insidious issue, however, could be that platform work encourages *not* saving for retirement, ultimately putting a burden on society. Of the 200 platform workers surveyed, 70% earned more than in their previous jobs,[51] suggesting that they chose platform work for its higher income. However, they could be comparing take-home pay, not income including CPF contributions.[52] Theseira considered this CPF differential in take-home wages a 'distortion to the economy';[53] given that people consistently save too little for retirement if given a choice,[54] CPF contributions were unlikely to be consistently priced into individuals' decisions to do platform work. This exacerbated the retirement adequacy problem.

Lack of skill development and career progression, which could lead to perpetuation of inequality

Many platform workers, particularly those in the 'Transitioning' group discussed earlier, have acquired skills through education. Engaging in platform work, which does not require these skills, results in low returns to human capital investment, and possible consequences on the individual's lifetime earnings. Member of Parliament (MP) Ang Hin Kee suggested that platform workers might be lured by the benefits to move away from industries and skills they were trained in;[55] another MP, Desmond Choo opined that a key problem especially for younger private hire drivers was underemployment – not having jobs that match their training.[56]

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[46] Ibid. p23.
[47] Joanne Poh. "Two Financial Concerns Many Singaporean Freelancers Wish the Government Knew They Had." AsiaOne, June 4, 2017. https://www.asiaone.com/business/two-financial-concerns-many-singaporean-freelancers-wish-government-knew-they-had.
[48] Jeremy Lim and Jonathan Tan. "Protecting the Retirement Nest Egg in the Gig Economy ." *TODAY*, June 2, 2017. https://www.todayonline.com/commentary/protecting-retirement-nest-egg-gig-economy.
[49] Tripartite Workgroup. "Support for Self-Employed Persons". p23.
[50] Ibid. p4.
[51] Yuen and Tai. "New Poll Highlights".
[52] Yuen and Tai. "5 Types".
[53] Ibid.
[54] Richard H. Thaler and Cass R. Sunstein. *Nudge*. New York, NY: Penguin Books, 2009. ch6.
[55] Yuen and Tai. "5 Types".
[56] Lim and Tan. "Protecting the Retirement Nest Egg".

This may not be a problem if platform work builds skills and enables career progression. Unfortunately, it generally does not. Theseira suggested that private hire (and presumably food delivery) jobs ‘offer no career paths and do not provide workers with significant marketable skills’. He warned that young workers might take such jobs due to higher incomes now, but could be disadvantaged in career options and income over a lifetime compared to employed peers who had benefited from structured career paths and skill development.[57] This analysis has been supported anecdotally by platform workers in Singapore, who perceive the job as ‘dead-end’,[58] and in Australia, where gig economy workers found their experiences ‘discounted as irrelevant […] when pursuing alternative labour market opportunities’.[59] Workers thus face stagnant or worsening income if they stay in the platform economy, and difficulties in leaving, which further reduces autonomy.

Some argued that the gig work’s flexibility allowed platform workers to pursue skills upgrading in their spare time. However, with the long hours encouraged by incentives, it was difficult to find motivation and energy for skills upgrading. Irene Ng from the NUS Department of Social Work opined that platform workers who were employed full-time elsewhere might not have time to upgrade or gain new skills, and sociologist Tan En Ser suggested that their long hours may not be sustainable and would entail sacrifices in health and family time.[60] One could add that employees’ work performance in their regular jobs, and full-time students’ studies, would be negatively affected.

Vulnerability to changes in regulations

Furthermore, the novel nature of platforms’ business models makes them more susceptible than other firms to regulatory changes. This has negatively affected platform workers.

Ride-hailing: Introduction of Private Hire Car Driver’s Vocational Licence (PDVL)

In July 2017, it was announced that by July 2018, all drivers providing private hire services were required to have a valid PDVL.[61] Obtaining a PDVL required drivers to attend lessons and pass a test.[62] One month before the deadline, there were 53,600 drivers, but 40% had not taken the test. The test also had a 30% failure rate.[63] In 2019, the number of PDVL holders was 41,000,[64] lower than the number of drivers in 2017.

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[57] Chong. “Flexibility, Being Your Own Boss”.
[58] Yuen and Tai. “New Poll Highlights”.
[59] Goods, Veen and Barratt. “Is Your Gig”. p518.
[60] Yuen and Tai. “5 Types”.
[61] Adrian Lim. “40% Of Private-Hire Car Drivers - or 23,900 - without Vocational Licence One Month before Deadline.” *The Straits Times*, June 1, 2018. https://www.straitstimes.com/singapore/transport/23900-private-hire-car-drivers-without-vocational-licence-one-month-before.
[62] Land Transport Authority. “FREQUENTLY ASKED QUESTIONS ON PRIVATE HIRE CAR DRIVER’S VOCATIONAL LICENCE COMMENCEMENT.” LTA.gov.sg, June 30, 2018. https://www.lta.gov.sg/content/dam/ltaweb/corp/PublicTransport/files/FAQS_for_PHC_drivers.pdf.
[63] Lim. “40% of Private-Hire”.
[64] Khaw. “Written Reply”.

Food delivery: Ban on e-scooters

On November 5 2019, the government banned the use of e-scooters on public footpaths[65] for pedestrian safety. At the time, about 7,000[66] food delivery couriers (over 30% of all couriers) used e-scooters. These were crucial tools for many couriers, some of whom had no access to motorcycles, and find the other common alternative – bicycles – unsafe to ride in traffic and physically taxing.[67]

Regulatory changes like these could push platform workers out of the industry or reduce their productivity. For those who depend heavily on income from such work, and have no alternatives, the impact could be crippling.

Psychological toll on platform workers

Seldom considered in economic analyses is the impact of prolonged engagement in platform work on workers' self-esteem. Having no access to legislative protection, being beholden to the customer, having one's autonomy curtailed by algorithms and arbitrarily changing incentive systems, and suffering from low incomes and (for food delivery) uncomfortable work environments, platform workers could experience plummeting levels of job and life satisfaction. As the study of Australian food delivery couriers found, such work could leave 'workers feeling like an underclass',[68] or as a private hire driver more pungently put it, 'I'm basically Uber's bitch'.[69]

Policy Options

Governments and other actors have responded to the growth in independent work through three broad approaches – regulating platforms, organising workers, and empowering workers. This section covers some measures from other countries, organised according to these three approaches, which could potentially be used in Singapore.

Regulating platforms

Regulations and policies to improve platform workers' welfare could be introduced. Stewart and Stanford recommended that worker rights should follow the paradigm of Australian health and safety laws which apply to *all* workers, rather than that of employment insurance which applies only to *employees*.[70] In Australia's New South Wales, labour unions have recommended that

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[65] Zhaki Abdullah. "Food Delivery Riders Opt in to Trade Their e-Scooters for LTA-Approved Devices." *CNA*, November 16, 2019. https://www.channelnewsasia.com/news/singapore/etg-grant-scheme-launch-food-delivery-riders-escooters-12098070.
[66] Yong. "About 1,000 Delivery Riders".
[67] Abdullah. "Food Delivery Riders".
[68] Goods, Veen and Barratt. "Is Your Gig". p518.
[69] Emmanuel Josserand and Sarah Kaine. "Different Directions Or the Same Route? the Varied Identities of Ride-Share Drivers." *Journal of Industrial Relations* 61, no. 4 (2019): 549-573. p585.
[70] Stewart and Stanford. "Regulating Work". p11.

platform companies provide compensation insurance.[71] Greater transparency regarding platforms' operation has also been suggested to reduce information asymmetries between workers and platforms.[72] This could be applied on earnings for comparison with the prevailing minimum wage,[73] and operational data, so that governments and third parties can assess if regulations were being adhered to.[74] However, additional regulations would raise costs to platforms and thus reduce earnings of platform workers,[75] and requiring transparency would be doughtily resisted by platforms, which depend on data for their competitive advantage.

Organising workers

Unionisation is legal in some jurisdictions. There are also other means of organising platform workers.

Ford and Honan, in a 2019 study of Grab and Gojek riders and drivers in Indonesia, found that organising in the online driver area had risen despite the national decline in overall trade union membership.[76] There were three forms of organisation. The first and most prevalent was mutual aid driver communities. These were neighbourhood based, informal, and focus on providing social support.[77] The second, driver associations, were organised more formally but were not unions. The largest, the ADO, had 10,000 members in 11 provinces.[78] The third, a trade union, had 1,000 members.[79] Unlike the first, which focused on local welfare issues, the second and third took on industry-wide issues.[80]

Structural change is key in addressing the various problems faced by platform workers discussed above. While informal communities were valuable, Ford and Honan suggested that, because they focused primarily on 'short-term solutions', they had 'little, if any, impact on the structures of the industry'. For structural change, driver associations and 'especially unions' were required.[81] These have had some success in mounting legal challenges,[82] demonstrations and no-bid actions,[83] which could be effective given that large platforms have replaced the great number of informal employers previously prevalent in Indonesia's informal transport sector,[84] making negotiation more feasible. In other countries, new (generally small) trade unions were organising and representing independent

[71] Lim and Tan. "Protecting the Retirement Nest Egg".
[72] Choudary. "The Architecture of Digital Labour Platforms". p35.
[73] Goods, Veen and Barratt. "Is Your Gig". p522.
[74] Christopher Tan. "LTA Aims to Streamline Rules for Taxi Firms, Private-Hire Cars." *The Straits Times*, January 25, 2019. https://www.straitstimes.com/singapore/transport/lta-aims-to-streamline-rules-for-taxi-firms-private-hire-cars. Choudary. "The Architecture of Digital Labour Platforms". p35.
[75] Lim and Tan. "Protecting the Retirement Nest Egg".
[76] Michele Ford and Vivian Honan. "The Limits of Mutual Aid: Emerging Forms of Collectivity among App-Based Transport Workers in Indonesia." *Journal of Industrial Relations* 61, no. 4 (2019): 528-548. p529.
[77] Ford and Honan. "The Limits". pp 534, 538, 540.
[78] Ibid. p536.
[79] Ibid. p534.
[80] Ibid. p538.
[81] Ibid. p545.
[82] Ibid. p541.
[83] Ibid. p540.
[84] Ibid. p543.

workers.[85] For instance, in 2016, the Independent Workers of Great Britain mobilised workers to fight a contract change by Deliveroo.[86] Moreover, while unions were unpopular in certain countries, perhaps due to memories of crippling strikes and selective membership practices, the tide may be turning, especially in an era of suspicion of big business. In the US, for example, an article suggested that 60% (76% of those under 30) supported unions.[87]

Nonetheless, there are obstacles to unionising platform workers. The same article conceded that union membership in the US was low – 6% of workers in the private sector in 2018, compared to 33% in the 1950s.[88] In Indonesia, the 1,000 union members is a tiny fraction of platform workers.[89] Such low membership would hamper the bargaining power of unions and their ability to effect structural change. The uncertain status of platform workers also posed a problem as they were ineligible to form a union in some jurisdictions. Moreover, companies could retaliate in ways considered illegal with employees – Grab and Gojek in Indonesia have banned drivers from participating in demonstrations and Grab has prohibited drivers from joining unions or associations.[90]

Empowering workers

Platform workers can be empowered through broadening the coverage of support structures – primarily legislative protection and pension schemes – beyond conventional employees, and enabling platform workers to improve their earning potential.

Broadening legislative protection through reclassification

Many issues discussed in the section 'Problems faced by platform workers' arise because platform workers are not classified as employees. Reclassification would, at a stroke, resolve these; it does, however, come with feasibility constraints. Legal challenges have been mounted to classify platform workers as employees, with very limited success. In two wrongful dismissal cases in Australia, two Uber drivers in 2017 and 2018 failed to be considered employees by the court. The second case hinged on, among other factors, Uber's limited control over when the driver worked, and the ability of the driver to perform work for others,[91] even though as argued above, driver autonomy is circumscribed by the incentive system and monitoring algorithms. In 2018, an Australian food delivery courier succeeded in convincing the court he was an employee of Foodora,

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[85] John Harris. "Adapt or Die: a New Breed of Trade Union Can Save the Fossils of Old." *The Guardian*, March 19, 2018. https://www.theguardian.com/commentisfree/2018/mar/19/new-breed-trade-union-rmt-unite-unison.
[86] Gregor Gall. "How Relevant Are the TUC and Unions Today?" The Conversation, September 12, 2016. http://theconversation.com/how-relevant-are-the-tuc-and-unions-today-65183.
[87] David Rolf. "A Roadmap to Rebuilding Worker Power." The Century Foundation, August 9, 2018. https://tcf.org/content/report/roadmap-rebuilding-worker-power/.
[88] Ibid.
[89] Ford and Honan. "The Limits". p534.
[90] Ibid. p543.
[91] Ingrid Landau and Dominique Allen. "Major Court and Tribunal Decisions in Australia in 2018." *Journal of Industrial Relations* 61, no. 3 (2019): 421-437. pp427-428.

in part due to the company's control over shifts.[92] Nonetheless, the decision might not set a useful precedent as other companies operate differently. Hence, reclassifying platform workers might not be very feasible. Goods, Veen and Barratt argued that thus far (2019), platforms have successfully resisted this.[93] Moreover, platform workers like the flexibility of working for more than one platform and to choose their working hours,[94] and hence might also resist reclassification.

Another option is to create new employment categories for platform workers. Stewart and Stanford suggested that some gig workers (presumably those for whom gig work is their sole income source) could be defined as 'dependent contractors', to which employment regulations could apply, and a new category of independent workers could be created with regulations to protect worker welfare.[95] Moreover, an intermediate category between employees and contractors has been created in Canada, Italy and Spain.[96] However, creating such categories could lead to employers downgrading some employees' (non-gig workers) status[97] and extend the platform worker welfare issues to other sections of the labour market.

Broadening pension coverage

To improve platform workers' retirement adequacy, various pension adjustments have been considered. In the US, proposals for individual security accounts for independent workers have been considered, where each firm automatically paid a set amount per worker based on number of hours worked, similar to what has been done in mining and construction.[98] This made platform workers' pension contributions automatic. Chile used a similar system, where it was mandatory for a portion of service fees to be paid as pension contributions.[99] Nonetheless, such adjustments might be resisted by platform workers, who appreciate *not* making mandatory pension contributions. A less extreme measure could be adapted from the UK government's 2018 plans to pilot proposals to increase pension savings of SEPs, building on the experience of automatic enrolment for employees. The trial for such automatic enrolment for *employees* showed only 0.7% opting out, [100] suggesting that making it easier for SEPs to make pension contributions might raise contribution rates significantly without being unduly coercive.

[92] Landau and Allen. "Major Court and Tribunal Decisions". pp427-428.
[93] Goods, Veen and Barratt. "Is Your Gig". pp520-521.
[94] Ibid. pp520-521.
[95] Stewart and Stanford. "Regulating Work". p10.
[96] Goods, Veen and Barratt. "Is Your Gig". p521.
[97] Ibid. p521.
[98] Lim and Tan. "Protecting the Retirement Nest Egg".
[99] Tripartite Workgroup. "Support for Self-Employed Persons". p30.
[100] Department for Work and Pensions. "Help for Millions of Self-Employed to Save and Plan for Retirement." GOV.UK. GOV.UK, December 18, 2018. https://www.gov.uk/government/news/help-for-millions-of-self-employed-to-save-and-plan-for-retirement?fbclid=IwAR38jUAsCqV2xvLikY2zjDOCZLHBlZmCS1rL47M58lpx-dZMwRj6MblT7b4. The UK, unlike Singapore, does not have mandatory pension contributions like Singapore, so employees have the choice whether or not to be enrolled in pension schemes.

Improving earning potential through training and development

Platform workers could be trained to do their jobs more effectively, thus raising their income; they could also be trained in skills which enable them to transition into other jobs. Some academics saw gig work as an opportunity to learn new skills as each gig was different.[101] Training could facilitate this process. Presumably, this allows them to get more productive and thus command a higher income. However, for private hire and food delivery, productivity is optimised through the platforms' algorithms. Hence, training would have little effect on workers' productivity. Other academics, however, suggested that gig workers should develop 'portable and adaptable skills', perhaps through online resources; such training would develop skill-sets which are re-deployable.[102] The onus presumably is on individuals to undergo training so they can make the transition to a "better" job. However, we have already seen how platform workers' long hours make training or education challenging;[103] moreover, skills upgrading entails, for workers, both a cost in training fees and opportunity cost in lost income.

Consideration of options

These three approaches are not mutually exclusive. Moreover, any response should consider the feasibility issues described, and more fundamentally, the need to balance worker welfare with other matters. These include innovation (as Norwegian State Secretary Christl Kvam puts it, creating obstacles to development and innovation should be avoided),[104] costs, prices and competitiveness. The government should not be too paternalistic or heavy-handed in discouraging workers from platform work as it does provide options. However, policy and advocacy should not swing too far toward the opposite extreme of making platform work too attractive compared to regular, skilled employment in other industries, for the sake of workers' prospects and the macroeconomic health.

Resolution

In Singapore, as of December 2019, the response has largely centred around the approach of *empowering workers,* supported by some level of *organising workers;* there has been minimal action on *regulating platforms.* The government, organised labour (represented by NTUC) and businesses have frequently collaborated in enacting manpower policy. Furthermore, each has acted in its own sphere to improve platform workers' welfare. Hence, the following also details each party's involvement, when relevant.

[101] Kaine and Josserand. "The Organisation and Experience". p490.
[102] Kaine and Josserand. "The Organisation and Experience". p 490. Studies quoted by the authors are Ashford et al., 2019; Schwartz, 2018; Abhinav et al., 2017.
[103] In the sub-section 'Lack of skill development and career progression'.
[104] Berit Kvam. "The Platform Economy: How to Regulate Working Life When Algorithms Are the Boss?" Nordic Labour Journal, May 26, 2017. http://nordiclabourjournal.org/i-fokus/in-focus-2017/sharing-economy-2017/article.2017-05-26.1171593981.

Regulating platforms

In 2019, the government introduced regulations requiring ride-hailing firms to have licenses. A key provision disallowed these firms from preventing drivers for driving for other platforms, unless the firms directly employed the drivers.[105] This blocked platforms from "locking" drivers into their system. Together with the falling level of incentives provided by the platforms now that they have established themselves in the market,[106] this could give drivers more options and reduce the likelihood of their being exploited through platforms' market power.

Organising workers

While SEPs cannot currently form a trade union, NTUC has provided significant support to platform workers. The Freelancers and Self-employed Unit (FSU) has organised events, lobbied for companies to adopt fair contracts and engaged stakeholders to support SEPs,[107] which included platform workers. It also offered group insurance coverage to members.[108] A National Private Hire Vehicles Association (NPVA) was also formed in May 2016[109] to represent the interests of private hire drivers. On a more general level, NTUC also ran the Employment and Employability Institute (e2i), which plays a prominent part in the training of workers.

Empowering workers

Platform workers have been empowered largely through broadening support structures (insurance and medical coverage) and increasing their earning potential and income. However, broadening employment legislation, and improving retirement income, has generally not been carried out.

Insurance

The TWSEP recommended that NTUC, the government and businesses work with the insurance industry to develop an insurance product for hospitalisation and prolonged outpatient medical leave for SEPs.[110] Such a product, which platform workers can purchase, has already been developed.[111] While it has not made insurance mandatory (hence the classification of this measure under *empowering workers*, not *regulation*), the government has attempted to influence companies who use SEPs' services. The TWSEP recommended that the government lead the way by

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105 Public Transport Council, "New Regulatory Framework".
106 Discussed above in the section 'Low and uncertain incomes'.
107 Jonathan Tan. "Report Card: Freelancers and the Self-Employed." National Trades Union Congress (NTUC.org.sg), March 12, 2018. https://ntuc.org.sg/wps/portal/up2/home/news/article/articledetails?WCM_GLOBAL_CONTEXT=/Content_Library/ntuc/home/working for u/1c2ddb2a-c289-46f2-8ffa-aa6249e56df7.
108 Lim and Tan. "Protecting the Retirement Nest Egg".
109 Tan. "Report Card".
110 Tripartite Workgroup. "Support for Self-Employed Persons". p21.
111 Yuen, Sin, and Janice Tai. "Working in the Gig Economy: No 9-5 Grind but It's Not an Easy Ride." *The Straits Times*, November 17, 2019. https://www.straitstimes.com/singapore/manpower/gig-work-not-an-easy-ride. Sim and Lim, "Stronger Support".

making insurance mandatory for high-risk services that it bought.[112] This would provide a model for other companies. The government has also encouraged service buyers to provide prolonged medical leave insurance.[113] Platforms have followed suit, for instance, Grab has provided personal accident coverage for its drivers,[114] and 'bespoke insurance at affordable premiums'.[115] Hence, insurance against loss of income due to sickness has been made accessible to platform workers.

Medisave contributions

Private hire drivers must keep up to date with their Medisave contributions to get a PDVL. Moreover, PDVLs have 3-year validity,[116] thus drivers must continue making required contributions for successful renewal. This ensured that private hire drivers have funds for long-term medical expenses. Platforms have also done their part, for instance, Grab has provided drivers some Medisave co-contributions (up to $100).[117] The government has also piloted a "Contribute as you Earn" (CAYE) scheme, which helps SEPs make Medisave contributions when they earn income,[118] instead of lump sum contributions at year's end, which could be missed due to cash flow issues or administrative hassle. CAYE would apply to the payments it makes to SEPs, with possible future extension to other private companies,[119] including platforms.

Training support

However, the measures above cannot address the more fundamental and long-term issue of lack of human capital development. As individuals typically under-invest in training, providing training and making it accessible has hence been crucial.

The government and organised labour have partnered platform companies to develop training to improve platform workers' skills. Grab has partnered SkillsFuture Singapore[120] to develop courses for drivers.[121] Gojek has also partnered WorkForce Singapore (WSG)[122] to enable its drivers to attend upskilling courses.[123]

Training is also accessible to platform workers who wish to transition to another industry. Gojek collaborated with SkillsFuture to offer resume writing and career planning courses to its drivers.[124] Deliveroo partnered an online educational platform to provide free online learning for riders in

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[112] Tripartite Workgroup. "Support for Self-Employed Persons". p22.
[113] Sim and Lim. "Stronger Support".
[114] Chong. "Flexibility, Being Your Own Boss".
[115] Cheng. "The Big Read".
[116] Land Transport Authority. "Frequently Asked Questions".
[117] Yuen and Tai. "Working in the Gig Economy".
[118] Sim and Lim. "Stronger Support".
[119] Sue-Ann, Tan. "Medisave Top-Ups to Be Made Easier for Self-Employed." *The New Paper*, March 6, 2019. https://www.tnp.sg/news/singapore/medisave-top-ups-be-made-easier-self-employed.
[120] The government agency overseeing training in Singapore (see https://www.skillsfuture.sg/AboutSkillsFuture)
[121] Cheng. "The Big Read".
[122] The government agency overseeing workforce transformation (see https://www.ssg-wsg.gov.sg/about.html)
[123] Sin and Tai. "Working in the Gig Economy".
[124] Ibid.

starting businesses, soft skills and web design.[125] These skills could support them in seeking alternative employment.

Training has also been provided in the wake of regulatory changes. NTUC collaborated with food delivery companies to train riders to use motorised bicycles after the e-scooter ban.[126] It also recommended, and has been developing, programmes for those wishing to switch professions.[127] When the PVDL was introduced, the e2i recommended its Career Trial and Place and Train programmes (Exhibit 4) to drivers who failed the PDVL test.

Moreover, the government supported all Singaporeans in training. The Workfare Training Support scheme provided generous course subsidies (Exhibit 5). Platform workers could participate to improve their chances of securing alternative jobs.

Matching platform workers to jobs

For platform workers who wish to enter regular employment, the government and NTUC have introduced mechanisms to match them with available jobs. For instance, for drivers seeking employment after failing the PDVL test, the e2i found that some lacked familiarity with the employment landscape and how to seek employment, and hence provided support in job-searching.[128] NTUC also worked through the NPVA and NTUC's Youth Career Network to match drivers to jobs.[129] These networks and services were similarly available to all platform workers seeking regular employment. The government also provided employment facilitation services through WSG.[130]

Support for low-income workers

The government supported low-income workers through the Workfare Income Supplement (WIS). This was accessible not just to employees but also SEPs. For SEPs, a greater proportion of the WIS was received as CPF (Medisave) contributions, thus directly supporting medical needs of platform workers (Exhibit 6).

The figure below summarises the relationship between the problems faced by platform workers, and the measures described above.

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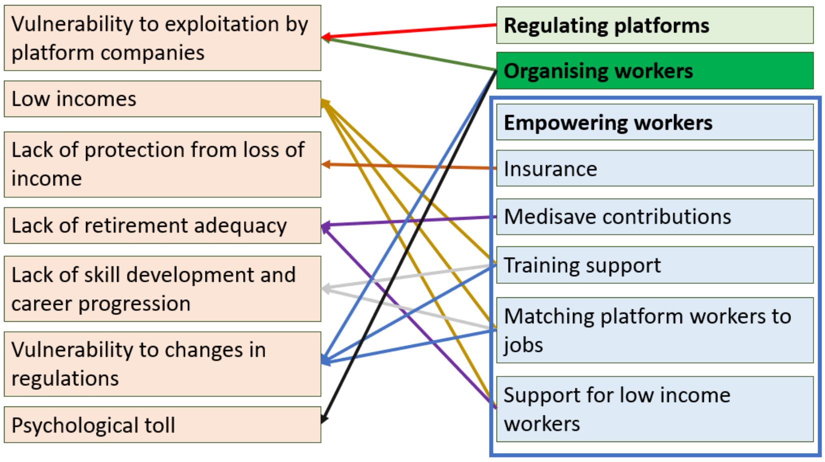
[125] Ibid.
[126] Clement Yong and Kai Yi Wong. "Training Course for Food Delivery Riders Switching from e-Scooters to e-Bikes Following Footpath Ban." *The Straits Times*, December 11, 2019. https://www.straitstimes.com/singapore/training-course-for-food-delivery-riders-switching-from-e-scooters-to-e-bikes-launched.
[127] Abdullah. "Food Delivery Riders".
[128] Cheng. "The Big Read".
[129] Ibid.
[130] Sim and Lim. "Stronger Support".



Epilogue

The gig economy is still in its infancy, and further actions to improve the welfare of platform workers could be forthcoming. Considering the present situation, and bearing in mind the policy options previously discussed, what are some key issues those concerned with platform workers' welfare in Singapore could attend to?

One fundamental question is – should more be done to improve worker welfare in this sector, or should it be left to the market? Singapore has traditionally maintained a flexible, business-friendly labour market, for instance through a flexible wage system, no minimum wage policy, and the use of CPF rate cuts to control business costs if recession threatens. While keeping to these principles, can, and should, more be done to improve the situation of platform workers, without distorting market incentives?

The three current approaches to the situation provide a helpful frame for the choices to be made in response to changing circumstances. More regulation, or less? Greater, or reduced, organisation of platform workers? An indirect approach through developing workers' skills, or more direct intervention through changing the market structure? The trajectory of future developments is not entirely clear. What is clear is that developments on this issue will strongly influence approaches to what many call the future of work. The number of people engaged in platform and other alternative forms of work is likely to rise. Getting the balance between worker welfare and other considerations right is a crucial challenge for policymakers, the economy and society.

Exhibit 1 – Employment Act Provisions

As of December 2019, self-employed persons (which platform workers are classified as) are independent contractors, and enter into contracts *for* service, not contracts *of* service. Hence, they are *not* considered employees, and the Employment Act does *not* apply to them. The screenshot below, from the Ministry of Manpower's website, illustrates this.[131]

Contract of service vs. contract for service

A **contract of service** is an agreement between an employer and an employee.

In a **contract for service**, an independent contractor, such as a self-employed person or vendor, is engaged for a fee to carry out an assignment or project.

This table summarises the main differences between the two:

Contract of service	Contract for service
Has an employer-employee relationship	Has a client-contractor type of relationship
Employee does business for the employer	Contractor carries out business on their own account
May be covered by the Employment Act (Find out who is covered)	Not covered by the Employment Act
Includes terms of employment such as working hours, leave benefits, etc.	Statutory benefits do not apply

Some key provisions of the Employment Act include:

- Employers must provide at least 1 unpaid rest day per week. Employees should work no more than 6 consecutive hours without a break, no more than 8 hours in a day, or 44 hours in a week.[132] (NB: These provisions apply to workers (generally blue-collar), not managers. Nonetheless, this is the category in which platform workers most logically fall.)

[131] Ministry of Manpower, Singapore. "Contract of Service." Employment Practices, Ministry of Manpower Singapore. Accessed December 24, 2019. https://www.mom.gov.sg/employment-practices/contract-of-service#contract-of-service-vs-contract-for-service.

[132] Attorney General's Chambers, Legislation Division, Singapore. "Employment Act." Singapore Statutes Online. Accessed December 24, 2019. https://sso.agc.gov.sg/Act/EmA1968#pr38-. Part IV, Nos. 36 and 38.

- Employees should have at least 7 days paid annual leave in their first year of service, with an additional day for each additional year of service.[133]
- Employees should have 14 days paid sick leave a year after working for an employer for more than 6 months. Those who have worked for at least 3 months are entitled to 5 days paid sick leave, at least 4 months to 8 days, at least 5 months to 11 days.[134]

[133] Attorney General's Chambers, Legislation Division, Singapore. "Employment Act." Part X, No. 88A.
[134] Ibid. No. 89.

Exhibit 2 – CPF Accounts and Details on Contribution Rates (as of December 2019)

CPF accounts

When working, Singapore residents contribute to three CPF accounts. These accounts are used for different purposes. The following table is adapted from CPF's website.[135]

Account	Uses of savings in this account
Ordinary Account (OA)	For housing, insurance, investment and education.
Special Account (SA)	For old age and investment in retirement-related financial products.
Medisave Account (MA)	For hospitalisation expenses and approved medical insurance.

CPF contribution rates for employees

The CPF contribution rates for employees are as follows:[136]

Employee's age (years)	Contribution Rates from 1 Jan 2016 *(for monthly wages ≥ $750)*		
	By Employer (% of wage)	By Employee (% of wage)	Total (% of wage)
55 and below	17	20	37
Above 55 to 60	13	13	26
Above 60 to 65	9	7.5	16.5
Above 65	7.5	5	12.5

[135] Central Provident Fund Board. "CPF Overview." Accessed December 26, 2019. https://www.cpf.gov.sg/Members/AboutUs/about-us-info/cpf-overview.
[136] Central Provident Fund Board. "CPF Contribution and Allocation Rates." Employer Guide, n.d. Accessed December 24, 2019.

These contributions are allocated to the various accounts as follows:[137]

Employee's age (years)	Allocation Rates from 1 Jan 2016 (for monthly wages ≥ $750)		
	Ordinary Account (% of wage)	Special Account (% of wage)	MediSave Account (% of wage)
35 and below	23	6	8
Above 35 to 45	21	7	9
Above 45 to 50	19	8	10
Above 50 to 55	15	11.5	10.5
Above 55 to 60	12	3.5	10.5
Above 60 to 65	3.5	2.5	10.5
Above 65	1	1	10.5

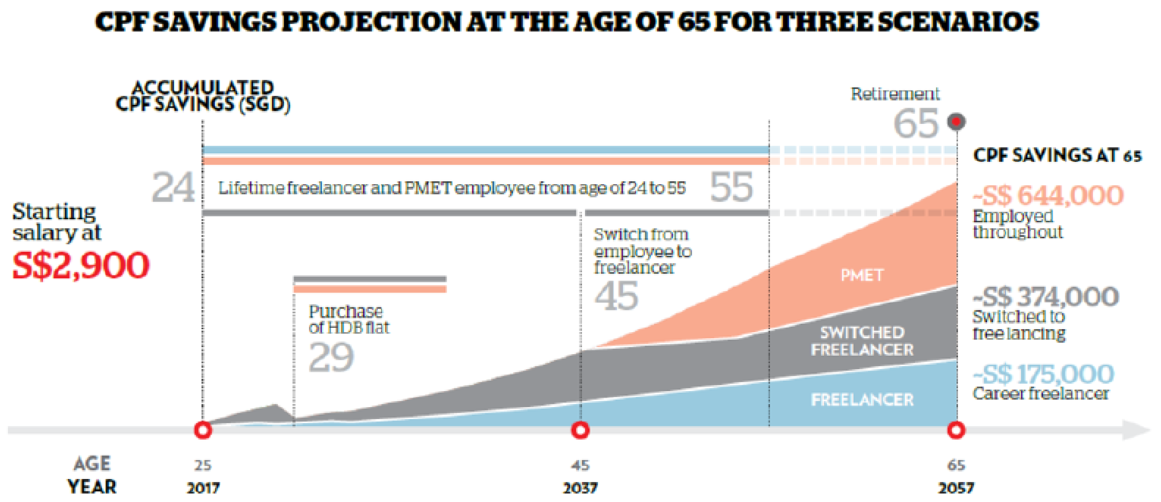
CPF contribution rates for self-employed persons (including platform workers)

All CPF contributions from self-employed persons come from their own income. They are not required to make contributions to OA and SA. Hence, they only need to fulfil the MA contribution. This contribution is shown below:[138]

Self-employed person's age in years	*Mandatory contribution to MA (% of income)*
35 and below	8
Above 35 to 45	9
Above 45 to 50	10
Above 50 to 55	10.5
Above 55 to 60	10.5
Above 60 to 65	10.5
Above 65	10.5

[137] Ibid.
[138] Figures are generated from the preceding tables.

Exhibit 3: Projection of CPF Savings[139]



Key assumptions — Starting salary: S$2,856 (85% of S3,360, the median salary for university graduates in 2016); income growth rate: 2%; inflation rate: 2%; constant CPF interest rate as of today; no withdrawals between ages 55 and 64. Sources: CPF; MOM; Singstat; local and regional news; Asia Pacific Risk Centre analysis

139 Lim and Tan. "Protecting the Retirement Nest Egg".

Exhibit 4: Examples of Training Schemes in December 2019

The screenshots below show details of two training schemes: the Career Trial[140] and the Place and Train[141] programmes.

What is Career Trial?

Jobseekers can gain experience through a short-term trial to be assessed for employment paying at least $1,500/month for full time position, $750/month for part-time position, and receive retention incentives.

To help Singaporean jobseekers try out more jobs, including part-time work, the Career Trial scheme has been expanded to include part time jobs offered by employers. This will take effect from 15 May 2019.

Keen to learn more? Download the Career Trial factsheet and **FAQ** for more information.

(A) What are Place-and-Train Programmes?

1. Place and Train (PnT) programmes provide training and salary support to help rank-and-file (RnF) workers reskill to take on new jobs in different sectors. Eligible applicants will be hired by participating employers before undergoing training to take on new job roles. The duration of the PnT programme will depend on the job and training requirements.

2. To encourage employers to hire and reskill unemployed Singapore Citizens (SCs) who have been unemployed for 6 months or more, enhanced salary support will be provided for them with effect from 1 April 2018 (see Table 1).

Table 1: Funding Rates for PnT Programme

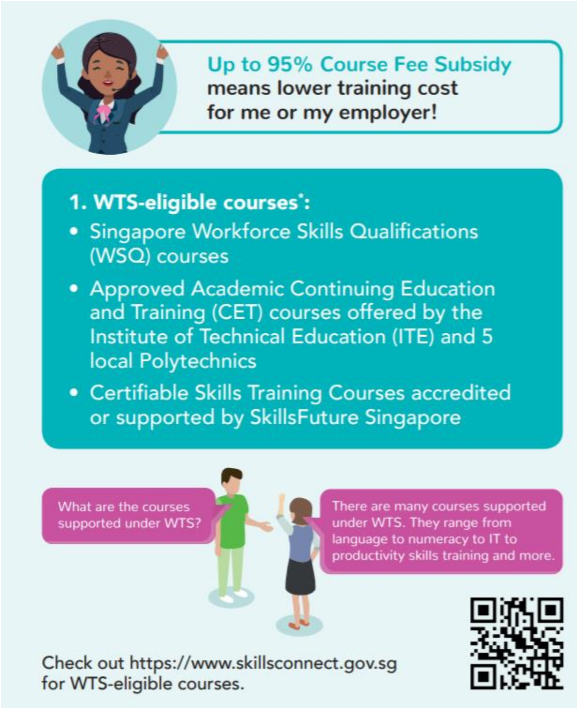
Funding to Employers by WSG	Support Rate
Course Fee Funding	*Up to 90% of course fees*
Salary Support	*Up to 70% of monthly salary, pay-out capped at $2,000 per month**
[New] Salary Support for LTU[1] (For SCs Only)	*Up to **90%** of monthly salary, pay-out capped at **$3,000** per month#*

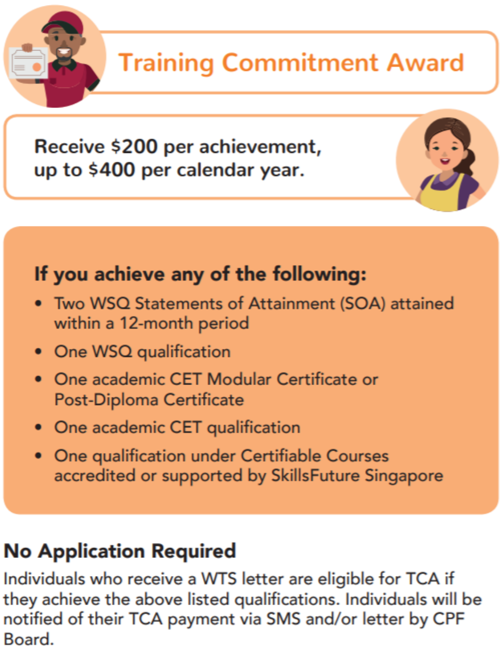
** Funding caps may apply*
 # Effective 1 April 2018, funding caps may apply

[140] Workforce Singapore. "Career Trial for Jobseekers." Accessed December 24, 2019. https://www.wsg.gov.sg/programmes-and-initiatives/career-trial-jobseekers.html.
[141] Workforce Singapore. "Place and Train Programmes Factsheet." Accessed December 24, 2019. https://www.mom.gov.sg/~/media/mom/documents/budget2018/factsheet-place-and-train.pdf?la=en.

Exhibit 5: Workfare Training Support Scheme (as of December 2019)

The Workfare Training Support Scheme provides generous subsidies for undergoing training, as well as a commitment bonus for completing training, as shown below in screenshots from the scheme's website.[142]





[142] Workforce Singapore. "Workfare Training Support Scheme." Accessed December 24, 2019. https://www.wsg.gov.sg/content/dam/ssg-wsg/wsg/programmes/WTAInd/2019WTS Brochure.pdf.

Exhibit 6 – Comparison of Workfare Income Supplement (WIS) contributions for Employees and SEPs (as of December 2019)

All Singapore citizens earning below $2,000 (raised to $2,300 from 1 January 2020) monthly will receive WIS from the government. Those who earn more will receive a smaller amount. WIS is received in cash and CPF contributions. The screenshots below show details of WIS for employees and self-employed persons.[143]

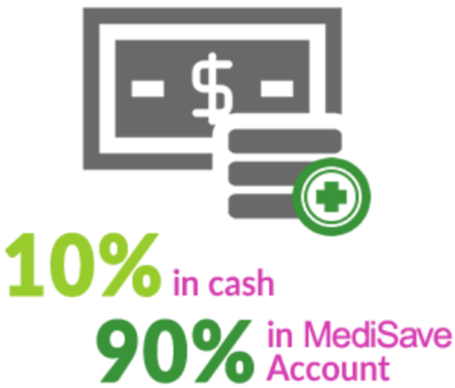
Employees

How much?

Your age	Maximum Annual WIS
35* - 44	$1,500
45 - 54	$2,200
55 - 59	$2,900
≥ 60	$3,600

* Persons with disabilities below 35 will get up to $1,500.

Self-employed persons



How much?

Your age	Maximum Annual WIS
35* - 44	$1,000
45 - 54	$1,467
55 - 59	$1,933
≥ 60	$2,400

* Persons with disabilities below 35 will get up to $1,000.

[143] Workfare.gov.sg. "Workfare Income Supplement (WIS) Scheme." Accessed December 24, 2019. https://www.workfare.gov.sg/Pages/WIS.aspx.