

MEDIA RELEASE

SCCCI's RESPONSE TO BUDGET 2022

In response to Budget 2022, SCCCI President Roland Ng said, "This year's Budget lays a firm foundation for Singapore's economic rebound, and our progress towards a post-pandemic future. It offers short-term measures to support businesses that remain affected by the challenging business environment but balances up with measures that continue the transformation momentum of our economy and companies.

We welcomed the Jobs and Business Support Package that support the near-term challenges of businesses and workers, of which included the Small Business Recovery Grant and the extension of the Jobs Growth Incentive to selected eligible sectors that are essential and strategic to Singapore economy.

We are pleased with the Budget measures to strengthen local enterprises. A key component is the expansion of the available solutions under the Productivity Solutions Grant to boost the productivity drive of local SMEs.

With manpower issues being a key business concern, SMEs appreciated the measures to promote larger-scale skills development for their workers and the enhanced career support measures for mid-career workers. These will help companies to better access local workers with the right skillsets.

However, from September this year, the increase in the minimum qualifying salaries for new EP and S Pass applicants may impact companies in selected sectors, including construction and manufacturing, where local workers continue to shun some jobs in these sectors. These salary adjustments will lead to a further increase in manpower costs, business and infrastructure project costs in a business environment that is already facing inflationary pressures.

While the carbon tax will be raised to catalyze our transition to the green economy, we appreciated that government will use the additional tax revenue and the various support measures to incentivize companies to de-carbonize, adopt green practices and develop capabilities in sustainability.

With regards to the GST hike, we understand the imperative for doing so to meet the fast-rising social and healthcare spending in Singapore. We welcomed the phased implementation from 1 January 2023 that will give businesses sufficient time to adjust to the hike, and applaud the generous Assurance Package, including the additional top-ups, to help cushion the impact of the GST increase for all Singaporeans.

While managing the immediate challenges, we urge businesses to press on with the opportunity to re-strategize, transform, and innovate so that they can position themselves well to benefit from the economic rebound. SCCCI will continue to roll out initiatives to help businesses to transform and upgrade.”

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About Singapore Chinese Chamber of Commerce & Industry

Established in 1906, the Singapore Chinese Chamber of Commerce & Industry (SCCCI) is an internationally renowned business organisation and the apex body of the Chinese business community in Singapore. It is the founder of the biennial World Chinese Entrepreneurs Convention, a global business convention. It plays a key and pro-active role in representing the interests of the local business community.

The SCCCI has a membership network comprising 5,000 corporate members and has more than 160 trade association members, representing over 40,000 companies including large financial and business organisations, multinational corporations, government-linked companies, and small and medium enterprises from a wide spectrum of trades and industries. These members together provide vast resources and opportunities which enable the SCCCI to develop an influential global Chinese business network for business, education, culture and community development. In return, they share a strong sense of pride and identity together and benefit immensely from the SCCCI's membership services, facilities and activities.

For more information, please visit www.sccci.org.sg.