

## [¶35-050] Employment pass

<http://prod.resource.wkasiapacific.com/resource/scion/document/default/io142058sl3371486>

The Employment Pass (EP) is for foreigners who earn a fixed monthly salary of more than \$2,500 and have recognised qualifications.

### Fixed monthly salary

“Fixed monthly salary” refers to the total regular monthly payments to a foreign employee, including the basic salary. The “fixed monthly salary” must not vary in quantum from month-to-month and must be paid to the foreign employee on a monthly basis, regardless of performance. This does not include:

- additional payment by way of variable overtime\*, bonus or commission
- any form of reimbursements or in-kind payments
- any sum paid to an employee or contract worker to defray special expenses incurred by him/her owing to the special, unusual or hazardous nature of the employment
- any productivity incentive payments and any allowances which are variable in nature
- any contributions paid by the employer or employee to any pension or provident fund, or
- any gratuity payable on discharge or retirement.

In calculating a foreign worker’s “basic salary” the following are not included:

- additional payment by way of overtime\*, bonus or commission
- travelling, food or housing allowance
- any sum paid to an employee or contract worker to defray special expenses incurred by him/her owing to the special, unusual or hazardous nature of the employment
- any productivity incentive payments
- any allowance however described
- any contribution paid by the employer or employee to any pension or provident fund, or
- any gratuity payable on discharge or retirement.

\*Overtime means the number of hours worked in any one day or in any one week in excess of the eight hours in one day or 44 hours in one week.

### Recognised qualifications

The Ministry of Manpower (MOM) does not have a list of approved institutions and evaluates each application and qualification on its merits.

### Categories of EPs

There are three different categories of EPs that may be issued by the Work Pass Division: P1, P2 and Q pass.

#### The P Pass

This is usually granted to foreigners who hold acceptable degrees, professional qualifications or specialist skills and are seeking professional, administrative, executive or managerial positions and those who are entrepreneurs or investors. There are two types of P passes:

- the P1 Pass is issued to employees with a fixed monthly salary of more than \$7,000, and
- the P2 Pass is issued to employees with a basic fixed salary of between \$3,500 to \$7,000 and possess recognised qualifications.

## **The Q Pass**

The Q Pass is for foreign employees with a fixed monthly salary of more than \$2,500 and possess recognised qualifications.

In lieu of recognised qualifications, the MOM may consider compensatory factors such as skills and years of experience (a minimum of five years relevant work experience is recommended).

## **The Personalised Employment Pass (PEP)**

The Personalised Employment Pass (PEP) is a new scheme. The main difference between the PEP and the EP is that the PEP is not tied to any employer and will be granted on the strength of an EP holder's individual merits. A PEP holder is able to remain in Singapore for up to six months in between jobs to evaluate new employment opportunities.

The following groups of foreigners will be eligible for a PEP:

- Overseas foreign professionals whose last drawn fixed monthly salary overseas was at least \$7,000, provided that the last drawn fixed monthly salary overseas was not more than six months from the time of the application;
- Former P1 Pass holders who are residing overseas, but not unemployed for more than six consecutive months at the point of application;
- P1 Pass holders will be accorded in-principle approval for the PEP upon application;
- P2 Pass holders with at least two years' working experience on a P Pass and earn a fixed salary of at least \$30,000 in the preceding year;
- Q1 Pass holders with at least five years' working experience on a Q1 pass and earn a fixed salary of at least \$30,000 in the preceding year;
- Foreign graduates from institutions of higher learning in Singapore with at least two years' working experience on a P or Q1 Pass, and earn a fixed salary of at least \$30,000 in the preceding year.

The PEP will be issued only once. It is valid for five years and is non-renewable.

## **Dependant Privileges**

Depending on the type of pass issued to the foreigner, the employment pass holder may be permitted to apply for Dependant's Passes ("DP") and Long Term Social Visit Passes ("LTSVP") for family members to enter and remain in Singapore during the period of the EP's validity.

### *Dependant's Pass*

Both P and Q Pass holders can apply for a Dependant's Pass (DP) for their:

- Spouse; and
- Unmarried or legally adopted children under 21 years of age, including newborns.

### *Long-Term Social Visit Pass*

P Pass holders can also apply for a Long-Term Social Visit Pass for their:

- Common law spouse;
- Unmarried daughters above 21 years of age;
- Handicapped children;
- Step-children; and
- Parents/parents-in-law.

In summary,

Pass Type Granted to Employment Pass Holders	Dependant's Passes	Long-Term Social Visit Passes
P	Yes	Yes
Q	Yes	No

A DP holder is not permitted to engage in any work or business in Singapore without a Letter of Consent from the Work Pass Division. The DP holder may not engage in any form of paid employment or in any business, profession or occupation in Singapore without a letter of consent issued by the Controller of Work Passes under the *Employment of Foreign Manpower Act*. The employing company is required to submit the relevant application form to the Work Pass Division for the Letter of Consent.

### PEP

PEP holders will continue to enjoy the dependants' privileges of their original passes or current eligibility at the point of PEP application, whichever is higher. Those who switch to higher-paying jobs may apply for the corresponding dependants' privileges.

The application forms for dependant's pass and long-term visit pass are reproduced at ¶35-550 and ¶35-560.

### EntrePass (Employment Pass for Entrepreneurs)

There are instances where a foreigner may wish to register a new company or a new business in Singapore, however, it would be illegal for a foreigner to engage in any form of paid employment, or in any business, profession or occupation in Singapore without the proper work/employment passes.

A "chicken-and-egg" problem arises because the registration of the business or company requires a person resident in Singapore as the director, manager or agent (as the case may be). As a non-resident, the foreigner cannot register the company or business, and the foreigner cannot use this company or business to support an application for a work/employment pass as it has yet to be registered in Singapore.

To address such a situation, the Employment Pass Department (EPD) and the Registry of Companies and Businesses (RCB) (the predecessor of the Accounting and Corporate Regulatory Authority (ACRA)) jointly came up with the In-Principle Approval Employment Pass (IPA EP) scheme in June 1999. The IPA EP allowed its holder to apply and use the IPA EP during the registration of a company or business in Singapore.

The MOM has since replaced the IPA EP with a new scheme called EntrePass, which specifically deals with Employment Passes for Entrepreneurs.

Foreign entrepreneurs meeting the following eligibility criteria may apply for an EntrePass:

- those who are ready to start a company/business and who will be actively involved in the operation of the company/business; and
- those who own a business registered with the Accounting and Corporate Regulatory Authority (ACRA) for no longer than six months at the point of submission of the EntrePass application.

EntrePass applications are jointly determined by the MOM and the Standards, Productivity and Innovation Board Singapore (SPRING).

In addition to an administrative fee of \$40 that will be charged for each EntrePass application, the EntrePass applicant must be sponsored by an established Singapore registered company or supported by a banker's guarantee of S\$3,000 for each applicant if the application is approved.

The applicant is also required to submit a comprehensive business plan, setting out, among other things, the nature of the business, products/services to be offered, business objective, market strategies, growth potential of the business and details of funding.

In view of the added complexity as compared to normal Employment Pass applications, the processing time for EntrePass applications may take about six weeks from the date of receipt of the application.

A successful applicant will be issued with an In-Principle Approval (IPA) letter. This would enable him to register the company/business at the Accounting and Corporate Regulatory Authority ("ACRA"). The applicant should then obtain a Business Profile/Instant Information on the registered company/business which would be forwarded together with the Approval-in-Principle letter to the Work Pass Division for the processing of the EntrePass.

Depending on the type of pass issued, EntrePass holders can apply for the following passes for their dependants:

Type of EntrePass	Dependant's Pass	Long-term Visit Pass
P	Yes	Yes
Q	Yes	No

### Application procedure

Applications for Employment Passes can be made online or manually at a SingPost office. EntrePass applications can only be made manually at a SingPost office.

Details on the application procedure, supporting documents required, fees and forms can be found at the MOM website at [www.mom.gov.sg](http://www.mom.gov.sg).

The relevant forms are reproduced at [¶\[35-510\]](#), [¶\[35-520\]](#) and [¶\[35-530\]](#).

### Conditions of pass

The Employment Pass is issued subject to the condition that during the validity of the pass, the holder of the pass will not, without the written consent of the Work Pass Division, engage in any form of self-employment or paid employment or in any business, profession or occupation in Singapore, other than the particular ones stated in the Employment Pass.

### Cancellation

An Employment Pass must be cancelled upon the cessation or termination of employment, or if the holder should attain permanent residency in Singapore. An Employment Pass holder has seven days from the date of cessation or termination of employment to cancel the Employment Pass. The pass holder or a company representative can cancel the pass at:

Work Pass Division

Ministry of Manpower

18 Havelock Road

Singapore 059764.

A two-week social visit pass will be issued upon cancellation.

**Note:** When the main Employment Pass is cancelled, all other passes related to the Employment Pass will be deemed to be cancelled. The Dependant's Pass and/or Long-Term Social Visit Pass should be produced for cancellation along with the Employment Pass at the Work Pass Division. Failure to do so will result in the Dependant's Pass and/or Long-Term Social Visit Pass holder becoming an "overstayer".

The Employment Pass will be deemed to be cancelled from the date the employment is terminated and the holder of the pass may not remain in Singapore after the date the employment was terminated unless the holder is otherwise entitled to remain in Singapore with a valid pass.

**Source:** *Ministry of Manpower website: [www.mom.gov.sg](http://www.mom.gov.sg)*