

# Workfare

## WORKFARE INCOME SUPPLEMENT SCHEME (WORKFARE)

Workfare is paid to older low-wage workers twice a year to encourage them to work and to improve their retirement adequacy. Singaporeans aged above 35 who earn an average monthly income of below \$1,500 and live in properties with Annual Value of \$11,000 or below may receive Workfare of up to \$2,400 annually. Employees receive their Workfare in the form of cash and CPF. Self-employed persons (SEPs) have their Workfare credited to their Medisave Accounts.

Two Workfare payments were made in 2009. The first payment totalling \$328.0 million was made to 321,000 low-wage workers for their work done in 2008. The second payment of \$158.6 million was made to 291,000 low-wage workers for work done in the first half of 2009.

During Budget in January 2009, the Government announced that a one-off Workfare Special Payment (WSP) would be given out in cash to provide temporary assistance to older low-wage workers during the economic downturn. A low-wage worker could receive up to \$1,200 in WSP which would be given out together with the Workfare payments. The first two WSPs totalling \$56.5 million and \$54.3 million were made to 331,000 and 305,000 low-wage workers respectively.



## MEDISAVE CONTRIBUTION DRAW

The CPF Board conducted 4 Medisave Contribution Draws (MCD) in 2009. The MCD aims to encourage low-income SEPs and informal workers to contribute to their Medisave Accounts. A total of 74,300 SEPs and informal workers who had worked in 2008 and paid towards their 2008 Medisave liabilities had qualified for the draws.