



SBF SURVEY ON BUDGET 2021 MEASURES

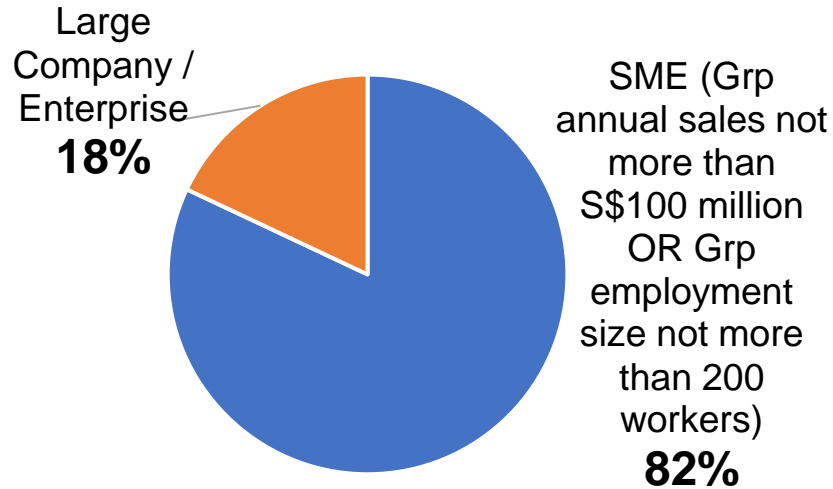
(Based on responses collected from 17 February to 12 March 2021)



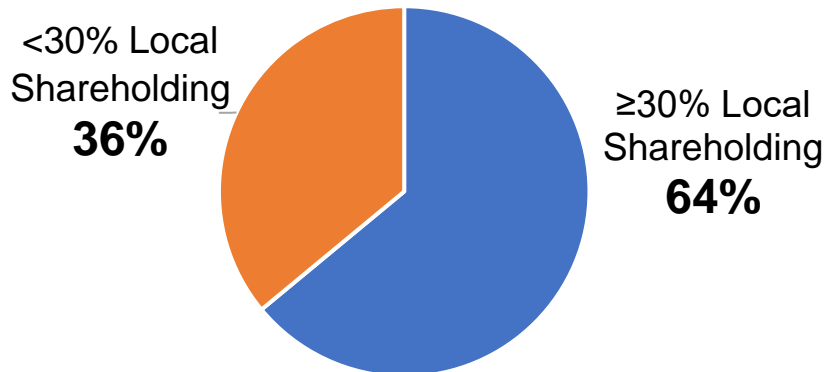
The survey drew responses from 218 companies across key industries.

82% of which were SMEs.

Company Category



Company Shareholding



Most were from the manufacturing industry (20%).

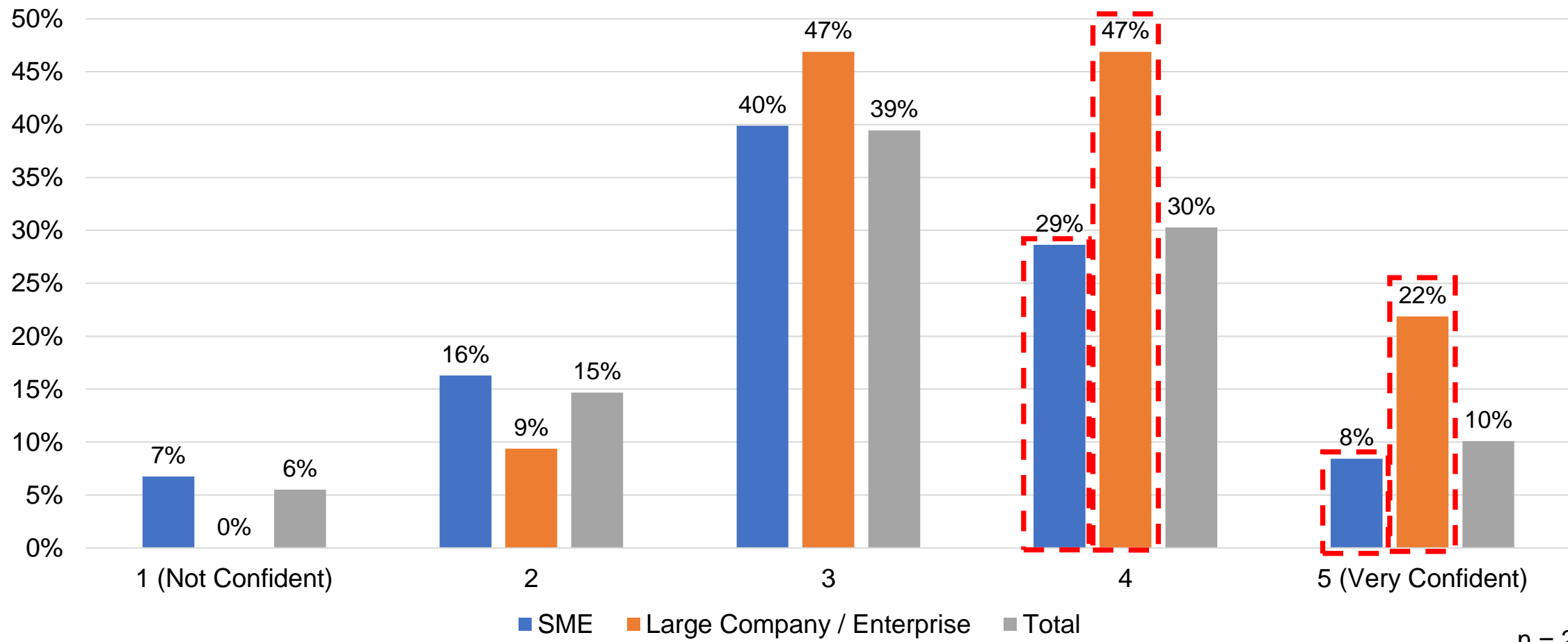
Industries	%
Manufacturing	20
Construction & Civil Engineering	13
Others (e.g. Agriculture & Fishing, Water Supply, Sewerage & Waste Management, Recreation, etc.)	12
Wholesale Trade	11
Logistics & Transportation	8
IT & Related Services	6
Hotels, Restaurants & Accommodations	5
Professional Services	5
Other Financial & Insurance Activities	5
Retail Trade	4
Education	4
Banking & Insurance	2
Health & Social Services	2
Administrative & Support Service Activities	2
Real Estate Activities	0

Overview of Key Findings

- **69% of Large Companies and 37% of SMEs are confident that their businesses will pick up in the next 6 to 12 months**, given the gradual roll-out of vaccines both locally and internationally.
- **Most Useful Budget 2021 Measures:** Wage Credit Scheme (80%); Jobs Growth Incentive (76%); SGUnited Skills, SGUnited Traineeship, Mid-Career Pathways Programmes (64%).
- **Top Views of Budget 2021:** This Budget aims to develop a workforce with a Singaporean core (44%) and is balanced in addressing both long term and immediate challenges (44%). However, companies are also concerned that the measures are insufficient in defraying the impact of COVID-19 on businesses (46%).
- **Top Assistance required from SBF by Businesses:** Help companies to understand and tap on various government schemes (69%).

More than two-thirds of large companies (69%) and close to two-fifths (37%) of SMEs indicated that they are either somewhat or very confident that their businesses will pick up in the next 6-12 months.

Level of Confidence in the Next 6 to 12 Months

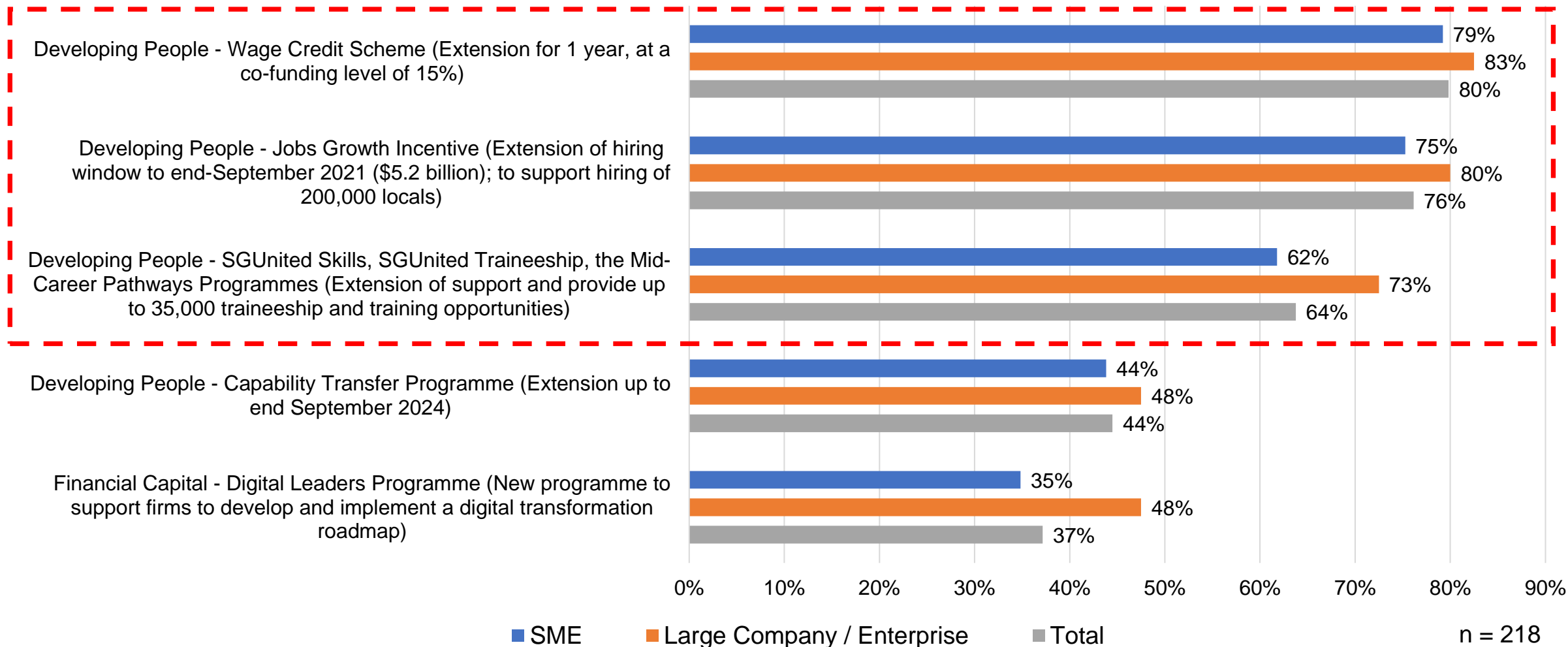


n = 218

Q: On the scale of 1 to 5: Given the gradual roll-out of vaccination both locally and internationally, how confident are you that your business will pick up in the next 6 to 12 months?

Majority of respondents find measures that seek to support and develop people most useful, namely, the ‘Wage Credit Scheme’, ‘Jobs Growth Incentive’ and the ‘SGUnited Skills/Traineeship/Mid-Career Pathways Programmes’.

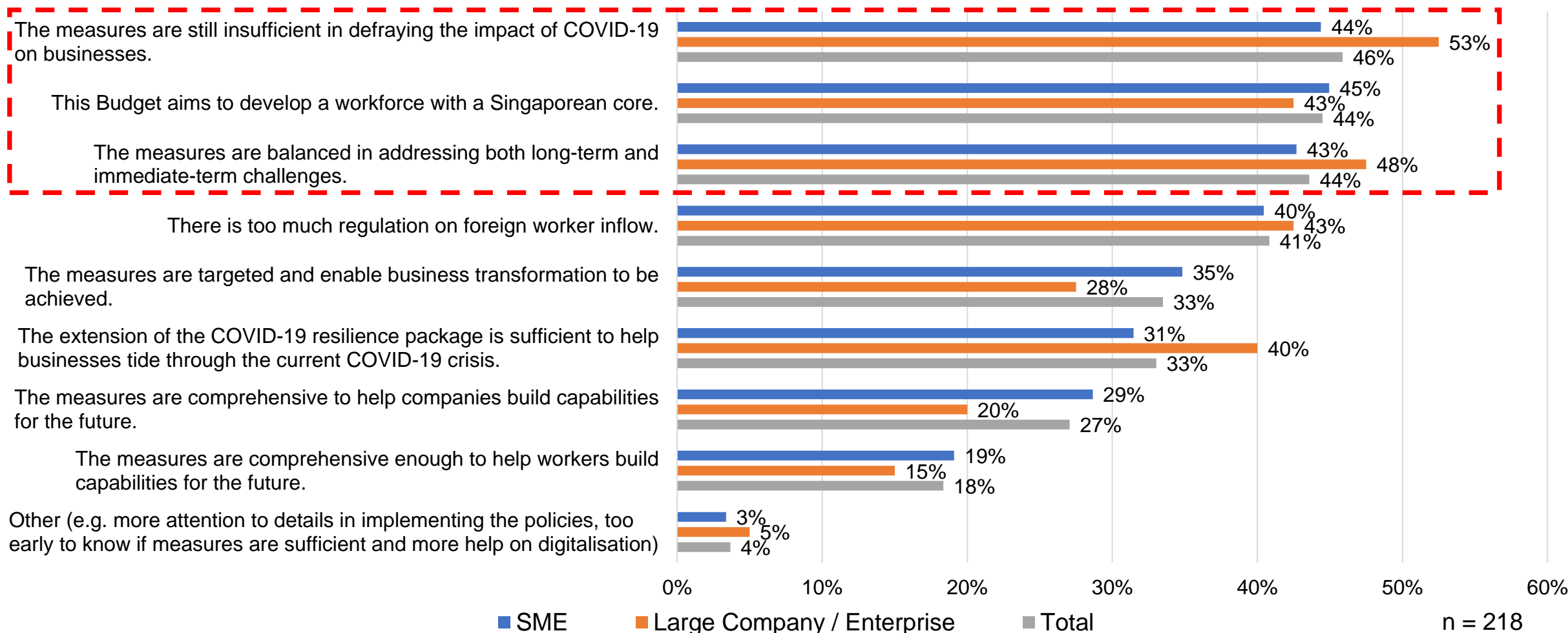
Most Useful Budget 2021 Measures



Q: Which new or enhanced Budget 2021 measures will likely benefit your company? (Please ✓ accordingly)

44% of respondents find that the budget aims to develop a workforce with a Singaporean core and is balanced in addressing both long term and immediate challenges, but they are also concerned that the measures are insufficient in defraying the impact of COVID-19 (46%).

Overall View of Budget 2021



Q: Overall, what is your view of Budget 2021? (Please ✓ the top 3 that applies)

Business Challenges / Companies' Wish List for Budget 2021 that have not been Addressed

Verbatim Responses

“Need more support for the built environment.” – *Large Company, Construction & Civil Engineering*

“How to attract Singaporean working in manufacturing sectors? Singaporean core may not be relevant to manufacturing industry.” – *Large Company, Manufacturing*

“Subsidise the costs of SHN for FW.” – *SME, Construction & Civil Engineering*

“Most government grant and support require consultants to make the report/application because the process is complicated. This is helping the business consultancy company and not the company that needs the grant. Government to invest in infrastructure. Government to encourage more SMEs to tender for government projects.” – *SME, Manufacturing*

“It doesn't address the inordinate delays in the reimbursement of various grant schemes which impacts SMEs very badly.” – *SME, IT & Related Services*

“New international and/or bring forward infrastructure projects to generate additional economic activity.” – *SME, Professional Services*

“Supporting SMEs on digital marketing to gain awareness of our products and improve sales. On the eCommerce space, it is very hard for SMEs to compete with large companies.” – *SME, Retail Trade*

“Hiring foreign talents is getting very tough. If Government wants SMEs to support local talents, should continue more aggressively in providing support, especially for the matured workers (those above 40 years old).” – *SME, IT & Related Services*

“More grants and incentives to help business adopt digital transformation, and extend beyond local SMEs, since this pandemic affects all companies, big and small.” – *SME, Manufacturing*

Thank You

If you need any clarifications, kindly contact:



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Annex

Budget 2021 Measures	Not Applicable to my company	Likely Useful	Likely NOT Useful	More details needed
Supporting for Workers and Businesses				
Tier 1 sectors: Aviation, Aerospace, Tourism Sectors – Extension of Jobs Support Scheme; 30% support from April to June 2021; 10% support from July to September 2021.	81%	14%	4%	1%
Tier 2 sectors: Retail, Arts & Culture, Food Services, Built Environment Sectors – Extension of Jobs Support Scheme; 10% support for three months, covering wages paid up to June 2021.	62%	28%	8%	2%
Targeted Support for Worst-Hit Sectors				
Aviation Sector – Extension of cost relief for aviation sector to preserve core capabilities (\$870 million).	86%	8%	5%	1%
Land Transport Sector – COVID-19 Driver Relief Fund for eligible taxi and private hire car drivers (\$133 million); \$600 per vehicle per month from January to March 2021; \$450 per vehicle per month from April to June 2021.	89%	6%	6%	0%
Arts & Culture and Sports Sectors – Extension and enhancement of Arts & Culture Package and Sports Resilience Package (\$45 million).	87%	7%	5%	1%

Budget 2021 Measures	Not Applicable to my company	Likely Useful	Likely NOT Useful	More details needed
Positioning Aviation Sector for Recovery				
Aviation Sector – Plans to restore Changi’s connectivity and investment in on-arrival testing and biosafety systems.	74%	19%	5%	3%
Creating Platforms for Nurturing Creative Ideas				
Corporate Venture Launchpad – Pilot to drive new innovative ventures.	52%	21%	11%	17%
Open Innovation Platform – Enhancement with new features for accelerated virtual prototyping and testing.	51%	19%	12%	17%
Global Innovation Alliance (GIA) – Enhancement of GIA to catalyse collaboration between Singapore and global innovation hubs.	48%	23%	12%	17%
Singapore Intellectual Property Strategy 2030 – To support businesses in commercialising their innovations.	50%	20%	14%	17%
Deepening our Global and Southeast Asia Partnerships				
Southeast Asia Manufacturing Alliance – To promote a network of industrial parks to manufacturers interested to invest in Singapore and the region.	58%	21%	10%	11%
Nongsa Digital Park – To facilitate collaboration between Singapore companies and tech talent in Indonesia.	64%	13%	13%	10%

Budget 2021 Measures	Not Applicable to my company	Likely Useful	Likely NOT Useful	More details needed
Support for High-Growth Enterprises				
Enterprise Financing Scheme – Extension and enhancement of Venture Debt Scheme for high-growth enterprises, including start-ups. Up to 70% risk-sharing on eligible loans; cap on loan quantum will be increased to \$8 million.	54%	27%	10%	9%
Co-Funding Transformation of Mature Enterprises				
Emerging Technology Programme – New programme to co-fund the costs of trials and adoption of frontier technologies.	42%	29%	10%	19%
CTO-as-a-Service initiative – Provide access to professional IT consultancies	43%	29%	11%	17%
Digital Leaders Programme – New programme to support firms to develop and implement a digital transformation roadmap.	30%	37%	12%	21%
Equity Investments in Large Local Enterprises				
Local Enterprises Funding Platform - \$500 million set aside to be co-invested with Temasek, to be managed commercially. Temasek to match the Government's funds on a 1-for-1 basis, so the platform will have \$1 billion available for its investments.	59%	20%	10%	11%

Budget 2021 Measures	Not Applicable to my company	Likely Useful	Likely NOT Useful	More details needed
Transformation of Value Chains – Growth and Transformation Scheme				
Built Environment sector – Launch of the Growth and Transformation Scheme	51%	24%	10%	15%
SGUnited Jobs and Skills Package Second Tranche				
Jobs Growth Incentive – Extension of hiring window to end-September 2021 (\$5.2 billion); to support hiring of 200,000 locals.	9%	76%	6%	9%
SGUnited Skills, SGUnited Traineeship, the Mid-Career Pathways Programmes – Extension of support and provide up to 35,000 traineeship and training opportunities.	11%	64%	15%	11%
Managing the Local-Foreign Worker Mix				
Wage Credit Scheme – Extension for 1 year, at a co-funding level of 15%.	9%	80%	5%	6%
Capability Transfer Programme – Extension up to end September 2024.	22%	44%	17%	17%
Sub-Dependency Ration Ceiling for Manufacturing Sector - Reduced to 18% from 1 January 2022, and to 15% from 1 January 2023.	56%	22%	18%	5%

Budget 2021 Measures	Not Applicable to my company	Likely Useful	Likely NOT Useful	More details needed
Dealing with Climate Change				
Agri-Food Sector – New Agri-Food Cluster Transformation grant of \$60 million to continue supporting technology adoption in the agri-food sector.	75%	17%	4%	4%
Early Adoption of Electric Vehicles – Narrow the cost differential between electric cars and internal combustion engine cars.	61%	25%	9%	5%
Raise Petrol Duty Rates: <ul style="list-style-type: none"> • For premium petrol, the duty will be raised by 15 cents per litre. • For intermediate petrol, the duty will be raised by 10 cents per litre. 	39%	16%	40%	4%
Road Tax and Petrol Duty Rebate: <ul style="list-style-type: none"> • Taxi and Private Hire Car Drivers: Petrol Duty Rebate of \$360, given out over four months; One-year road tax rebate of 15% to all taxis and passenger cars using petrol. • Goods Vehicles and Buses using Petrol: One-year road tax rebate of 100%. 	52%	28%	17%	3%
Green Financing – Issue green bonds on select public infrastructure projects, up to \$19 billion.	59%	23%	8%	9%
Financing our Recurrent Spending Needs with Recurrent Revenue				
Goods & Services Tax (GST) – Raise the GST rate sometime during 2022 to 2025.	5%	31%	49%	15%