

Report on Wage Practices 2024



**Ministry of
Manpower**

Manpower Research and Statistics Department
Singapore

May 2025

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REPORT ON WAGE PRACTICES 2024

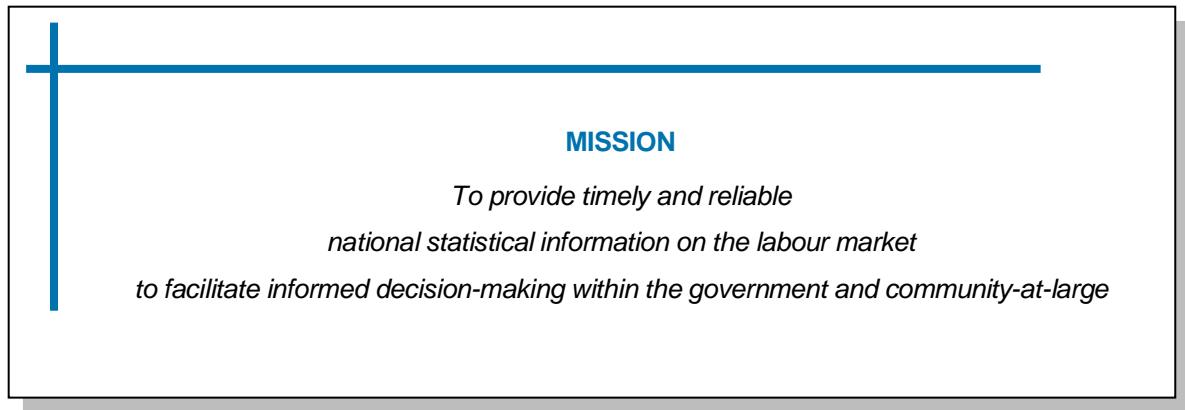
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Abbreviations

AVC	: Annual Variable Component
AWC	: Annual Wage Changes
AWS	: Annual Wage Supplement
CPF	: Central Provident Fund
CPI	: Consumer Price Index
Excl.	: Excluding
FWS	: Flexible Wage System
Incl.	: Including
MOM	: Ministry of Manpower
MTI	: Ministry of Trade and Industry
MVC	: Monthly Variable Component
NWC	: National Wages Council
NRAF	: Non Rank-and-File
PWM	: Progressive Wage Model
RAF	: Rank-and-File
VB	: Variable Bonus

Highlights

Against the backdrop of continued economic growth in 2024¹, a majority of establishments remained profitable in 2024 (80.8%), although it has declined from 2023 (82.1%). However, profitability of establishments varied across industries. Industries such as *Real Estate Services*, *Construction* and *Wholesale Trade* saw fewer profitable firms, while *Manufacturing* observed an increase in profitable firms. Against this backdrop and a tight labour market in 2024²:

- Nominal total wages³ continued to grow, increasing by 5.6% in 2024 – comparable to the growth in 2023 (5.2%). After accounting for inflation (which has eased from 2023), real wages grew by 3.2% in 2024, higher than in 2023 (0.4%).
- The proportion of establishments that provided wage increases rose from 65.6% in 2023 to 78.3% in 2024, though a majority of establishments gave the increases due to past organisational performance rather than forward-looking confidence.
- Rank-and-File (RAF) and Junior Management employees saw slightly higher wage growth (5.8% and 5.6%, respectively) compared to Senior Management (5.1%), partly reflecting efforts to offset cost-of-living pressures. Policy factors, such as increases in the Local Qualifying Salary⁴ and the implementation of Progressive Wage Model initiatives, have also contributed to higher wage increases among lower-income employees.
- Wage growth was observed across all industries, though the extent of increase varied. *Administrative & Support Services* reported the highest growth (8.7%), largely due to the Progressive Wage Model (PWM). Above-average increases were also seen in *Financial Services* (6.7%) and *Community, Social & Personal Services* (5.7%), amid continued demand for skilled workers⁵. In contrast, *Food & Beverage Services* recorded below-average growth (4.8%), reflecting a weaker economic performance for the sector. Wage increases in *Wholesale Trade* (4.2%) and *Manufacturing* (5.1%) were also below average and are expected to moderate in the coming year, given the on-going geopolitical and trade tensions.
- While 76.0% of establishments have implemented at least one Flexible Wage System (FWS) component in 2024, the overall trend has been one of gradual decline over the past decade. In addition, only 8.5% of firms had fully adopted both the Monthly Variable Component (MVC) and Annual Variable Component (AVC), and the prevalence of variable wages in private sector establishments was also low (14.9% of total wages).

¹ The Singapore economy expanded by 4.4% in 2024, faster than the 1.8% expansion in 2023. Source: Ministry of Trade and Industry.

² The unemployment rates remained low and stable in December 2024 (overall: 1.9%; resident: 2.8%; citizen: 2.9%). Source: Labour Force Survey, Manpower Research & Statistics Department, MOM.

³ Total wage includes components such as the basic wage and annual variable component.

⁴ Since 1 July 2024, the Local Qualifying Salary has been raised from \$1,400 to \$1,600 per month. Firms hiring foreign workers will have to pay all their full-time local workers at least the Local Qualifying Salary (or Progressive Wage Model wages where applicable).

⁵ Financial & investment advisers, registered nurses and teaching & training professionals are amongst the most sought after. Source: Job Vacancies 2024, Manpower Research & Statistics Department, MOM

Looking ahead, economic headwinds remain a key concern. With geopolitical tensions and global trade uncertainty persisting⁶, business sentiments have softened. MOM's forward-looking survey conducted in the first quarter of 2025 also indicated a decline in the share of firms planning to raise wages in the next three months⁷. These developments point to a potential moderation in nominal wage growth in 2025, relative to 2024, particularly in trade-reliant sectors such as *Manufacturing* and *Wholesale Trade*.

⁶ The Ministry of Trade and Industry (MTI) has downgraded Singapore's GDP growth forecast for 2025 to "0.0 to 2.0 per cent". Source: Ministry of Trade and Industry.

⁷ The proportion of firms with an intention to raise wages in the next three months declined from 32% in December 2024 to 22% in March 2025. Source: Manpower Research & Statistics Department, MOM.

Report on Wage Practices 2024

1 Introduction

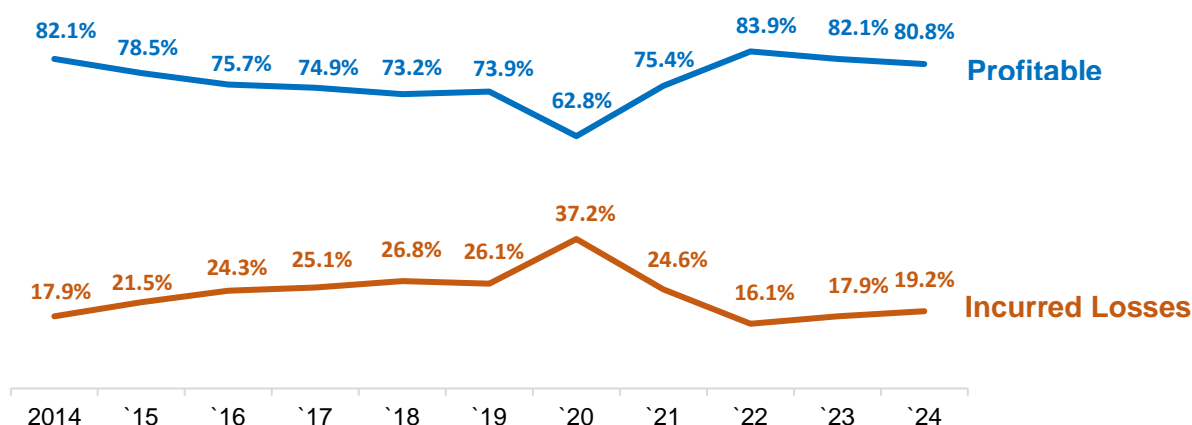
1.1 The Report on Wage Practices is an annual report that examines employees' wage changes and establishments' wage practices. The data in this report is from MOM's Survey on Annual Wage Changes conducted on private sector establishments, and intended to capture employers' wage practices for full-time resident employees with the same employer for at least a year⁸. The wage changes thus do not reflect wage movements due to job changes and new entrants, as well as the compositional changes to the workforce in the year. The survey coverage and methodology are explained in [Annex 2](#).

2 Key Findings

Profitability Status

2.1 Against the backdrop of continued economic growth in 2024⁹, eight in ten (80.8%) establishments reported that they were profitable in 2024, slightly lower compared to 2023 (82.1%) (**Chart 1**). However, profitability of establishments varied across industries. Industries such as *Real Estate Services*, *Construction* and *Wholesale Trade* saw fewer profitable establishments, while *Manufacturing* observed an increase in profitable firms.

Chart 1: Proportion of Establishments by Profitability Status, 2014-2024



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

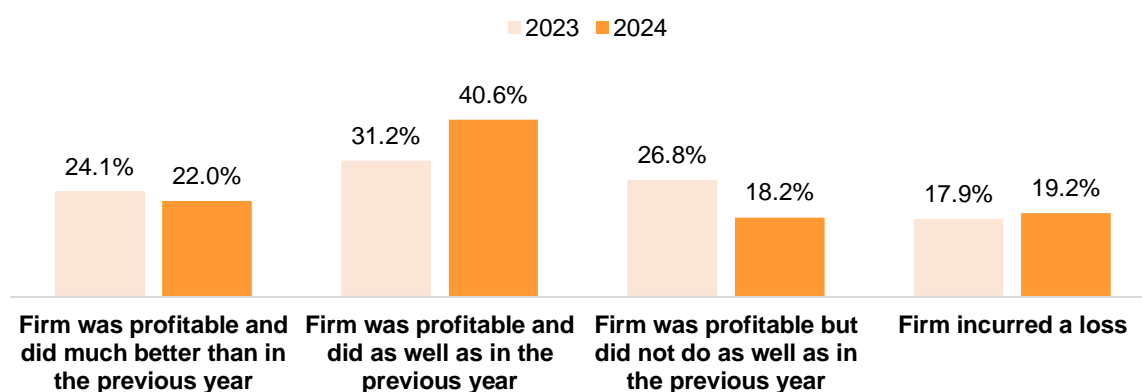
Note: Based on private sector establishments that disclosed their profit status.

⁸ 85.6% of resident employees were in their jobs for at least one year. Source: Comprehensive Labour Force Survey, Manpower Research & Statistics Department, MOM.

⁹ The Singapore economy expanded by 4.4% in 2024, faster than the 1.8% expansion in 2023. Source: Ministry of Trade and Industry.

2.2 More establishments saw sustained profitability, with an increase in the proportion of establishments that performed as well as they did in the previous year (from 31.2% in 2023 to 40.6% in 2024). Establishments that were less profitable than the preceding year dipped (26.8% to 18.2%), while those with improved profitability largely held up (24.1% to 22.0%) (**Chart 2**).

Chart 2: Distribution by Detailed Profit Status among Establishments



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

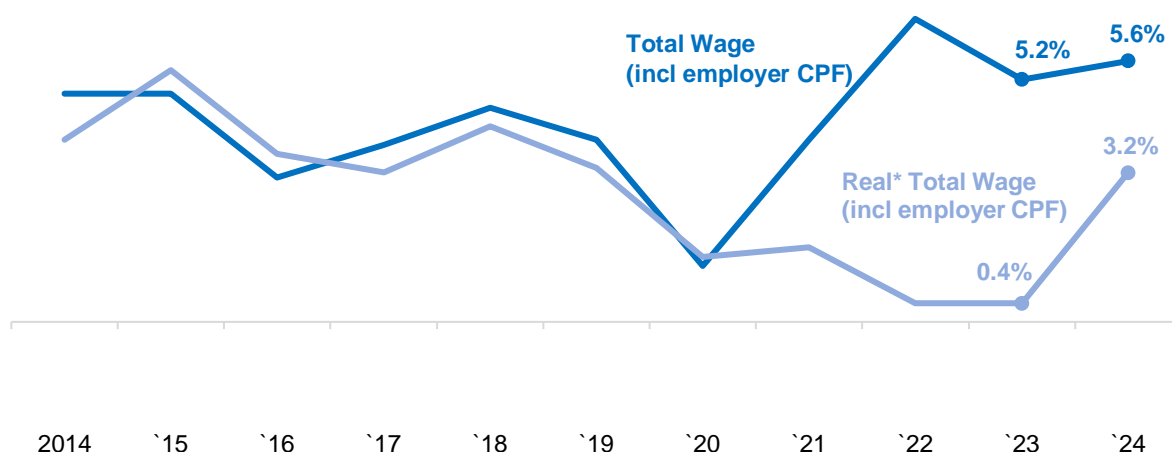
Wage Trends

2.3 With a tight labour market¹⁰, nominal total wages of full-time resident employees continued to grow, increasing by 5.6% in 2024 – comparable to the growth in 2023 (5.2%) (**Chart 3**). As nominal wage growth outpaced inflation, which has eased from 2023¹¹, real wage growth picked up in 2024 (3.2% compared to 0.4% in 2023).

¹⁰ The unemployment rates remained low and stable in December 2024 (overall: 1.9%; resident: 2.8%; citizen: 2.9%). Source: Labour Force Survey, Manpower Research & Statistics Department, MOM.

¹¹ Inflation eased to 2.4% in 2024, from 4.8% in 2023. Source: Department of Statistics.

Chart 3: Total Wage Change (Incl. Employer CPF), 2014-2024



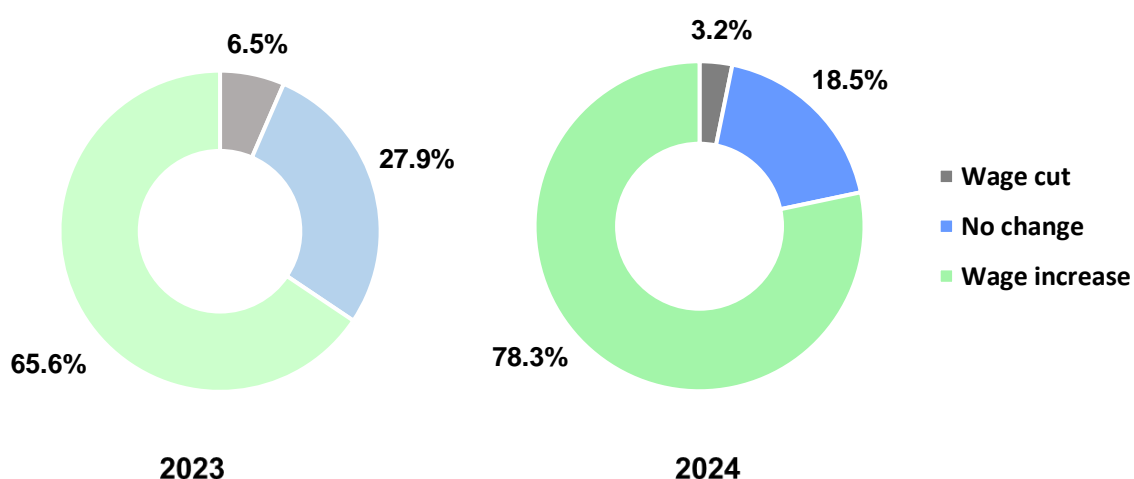
Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Note: * - Deflated by Consumer Price Index (CPI) for all items at 2024 prices (2024 =100)

2.4 The proportion of establishments that provided wage increases rose from 65.6% in 2023 to 78.3% in 2024 (**Chart 4**), though a majority of establishments gave the increases due to past organisational performance rather than forward-looking confidence.

2.5 Concurrently, there was a decline in the proportion of establishments that cut the wages of their employees, from 6.5% in 2023 to 3.2% in 2024.

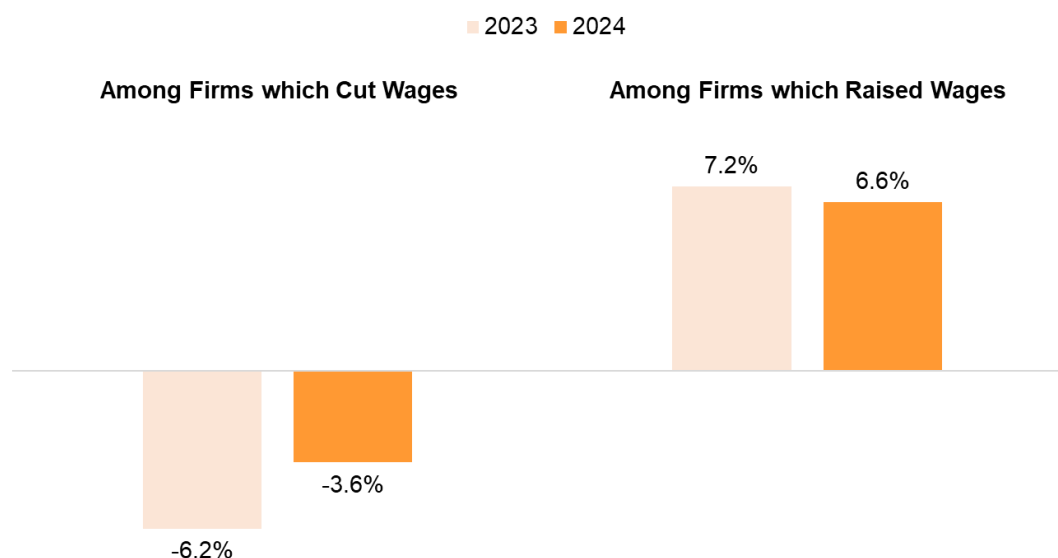
Chart 4: Distribution of Establishments by Total Wage Change



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

2.6 Among establishments which raised wages, the average wage increase in 2024 (6.6%) has moderated from 2023 (7.2%). However, among establishments which cut wages, the magnitude of wage cut was smaller in 2024 (-3.6%) than in 2023 (-6.2%) (**Chart 5**).

Chart 5: Magnitude of Total Wage Change among Establishments



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

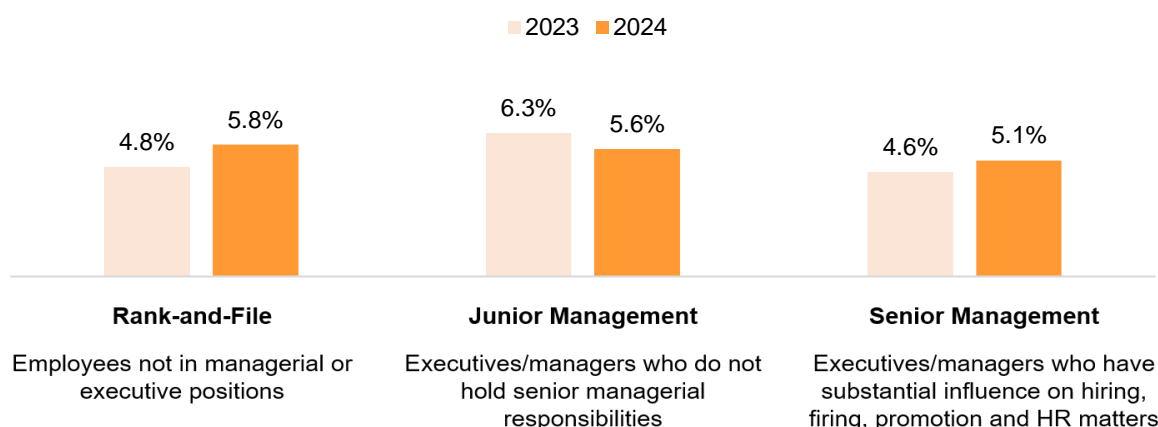
Wage Change by Employee Type

2.7 Rank-and-File (RAF) and Junior Management employees saw slightly higher wage growth (5.8% and 5.6%, respectively) compared to Senior Management (5.1%) (**Chart 6**), partly reflecting efforts to offset cost-of-living pressures¹². Policy factors, such as increases in the Local Qualifying Salary¹³ and the implementation of Progressive Wage Model initiatives, have also contributed to higher wage increases among lower-income employees. Going forward, we expect sustained wage growth for lower-income employees, as progressive wages continue to increase.

¹² Among establishments that have provided more wage increases to RAF and Junior Management employees, most reported that they have done so to help RAF and Junior Management employees cope with the higher cost of living.

¹³ Since 1 July 2024, the Local Qualifying Salary has been raised from \$1,400 to \$1,600 per month. Firms hiring foreign workers will have to pay all their full-time local workers at least the Local Qualifying Salary (or Progressive Wage Model wages where applicable).

Chart 6: Total Wage Change by Employee Type



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Wage Change by Industry

2.8 Wage growth was observed across all industries (**Chart 7**), though the extent of increases varied. *Administrative & Support Services* reported the highest growth (8.7%), largely due to the Progressive Wage Model (PWM)¹⁴.

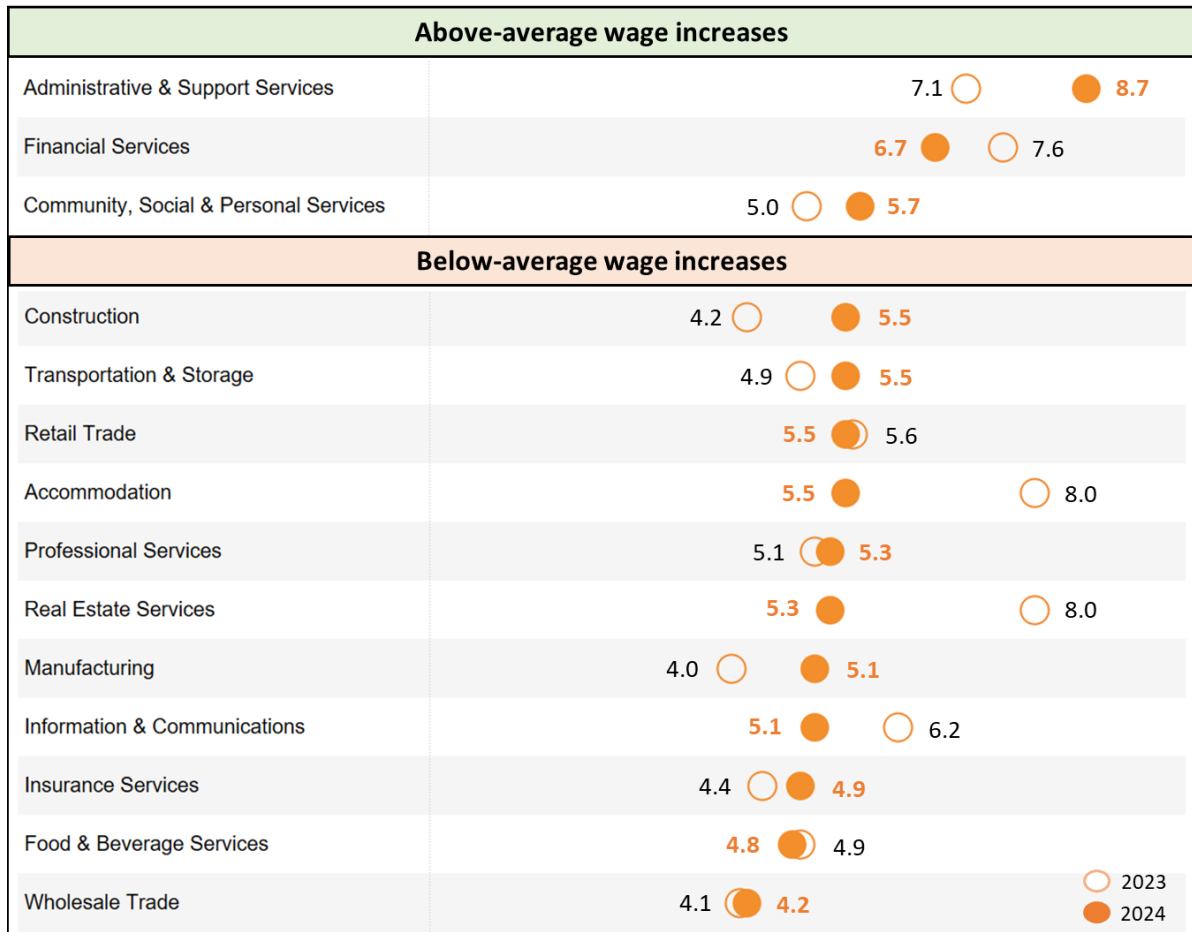
2.9 Above-average wage increases were also observed in *Financial Services* (6.7%) and *Community, Social & Personal Services* (5.7%) amid continued demand for skilled workers¹⁵.

2.10 In contrast, *Food & Beverage Services* recorded below-average growth (4.8%), reflecting a weaker economic performance for the sector. Wage increases in *Wholesale Trade* (4.2%) and *Manufacturing* (5.1%) were also below average and are expected to moderate in the coming year, given the on-going geopolitical and trade tensions.

¹⁴ For example, the PWM wage requirements for an outsourced security officer on the lowest rung of the Security PWM job ladder was raised to \$2,650 in 2024, up from \$1,650 in 2023.

¹⁵ Financial & investment advisers, registered nurses and teaching & training professionals are amongst the most sought after. Source: Job Vacancies 2024, Manpower Research & Statistics Department, MOM

Chart 7: Total Wage Change by Industry (%)

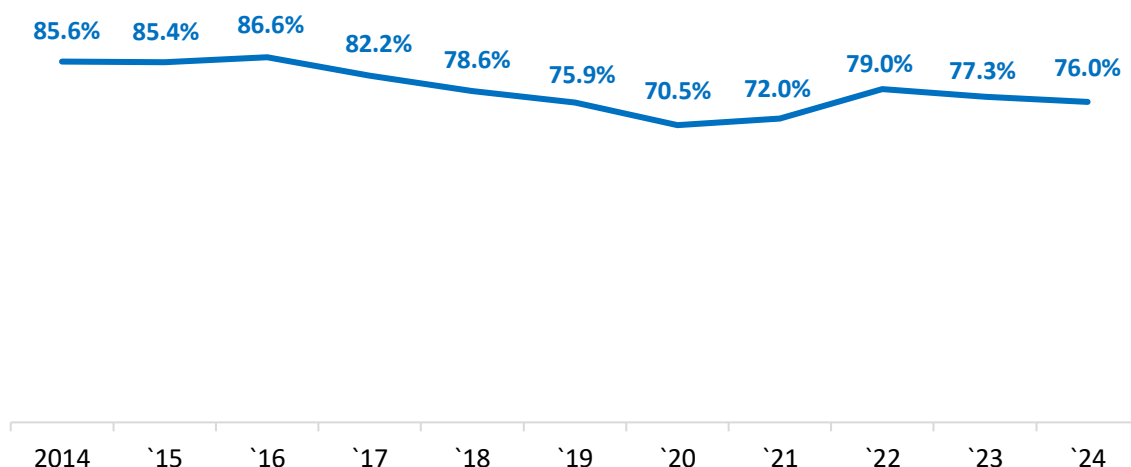


Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Flexible Wage System

2.11 In its 2024/2025 guidelines, the National Wages Council (NWC) encouraged establishments to adopt a Flexible Wage System (FWS), comprising a Monthly Variable Component (MVC) and an Annual Variable Component (AVC). While 76.0% of establishments have implemented at least one FWS component in 2024 (**Chart 8**), the overall trend has been one of gradual decline over the past decade.

Chart 8: Proportion of Establishments which Implemented Some Form of Flexible Wage System, 2014-2024



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

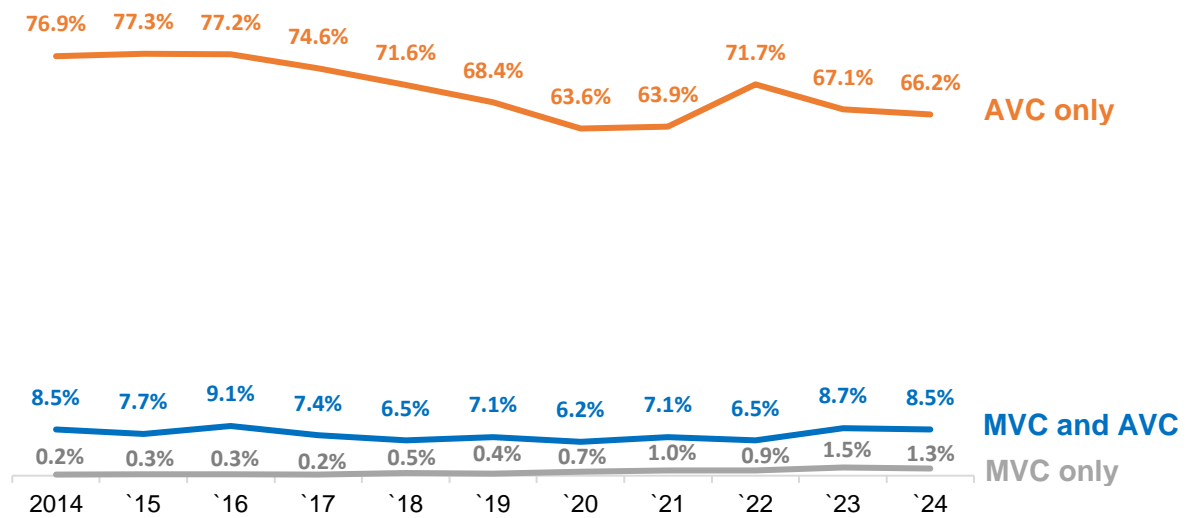
2.12 In addition, the adoption of MVC has remained low (**Chart 9**). Establishments that did not adopt MVC mentioned they lacked awareness or did not have such a practice among organisations in their industry¹⁶. The prevalence of variable wages in private sector establishments was also low (14.9% of total wages)¹⁷. In the last five years, establishments that adopted at least one FWS component saw higher wage increases (4.6%¹⁸) than those that did not adopt (3.2%), as they were able to adjust the variable components to offer bonuses to employees during periods of good economic growth.

¹⁶ In 2024, establishments' top reasons for not introducing MVC in their wage structure remained lack of awareness and the absence of such practice among organisations in their industry.

¹⁷ Across employee types, the variable component was higher among employees in management roles (Junior Management: 17.3%, Senior Management: 16.4%) compared to Rank-and-File (12.7%).

¹⁸ Based on the average of 2020 to 2024 data.

**Chart 9: Proportion Of Establishments By Presence Of Variable Components,
2014-2024**



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

3 Conclusion

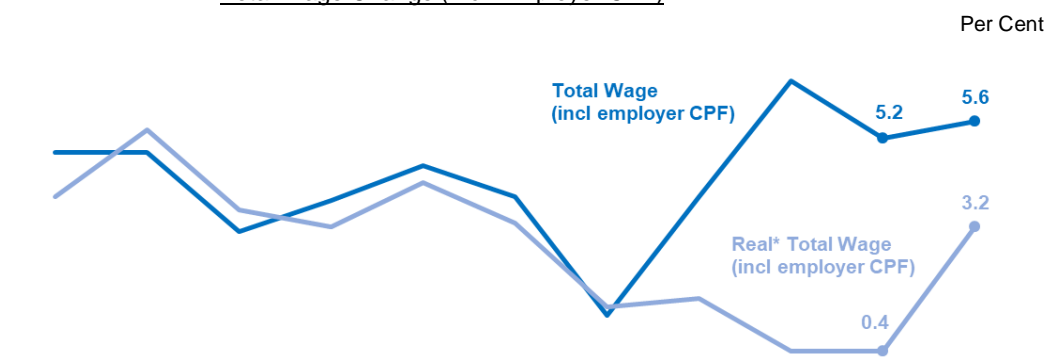
3.1 Looking ahead, economic headwinds remain a key concern. With geopolitical tensions and global trade uncertainty persisting¹⁹, business sentiments have softened. MOM's forward-looking survey conducted in the first quarter of 2025 also indicated a decline in the share of firms planning to raise wages in the next three months²⁰. These developments point to a potential moderation in nominal wage growth in 2025, relative to 2024, particularly in trade-reliant sectors such as *Manufacturing* and *Wholesale Trade*.

¹⁹ The Ministry of Trade and Industry (MTI) has downgraded Singapore's GDP growth forecast for 2025 to "0.0 to 2.0 per cent". Source: Ministry of Trade and Industry.

²⁰ The proportion of firms with an intention to raise wages in the next three months declined from 32% in December 2024 to 22% in March 2025. Source: Manpower Research & Statistics Department, MOM.

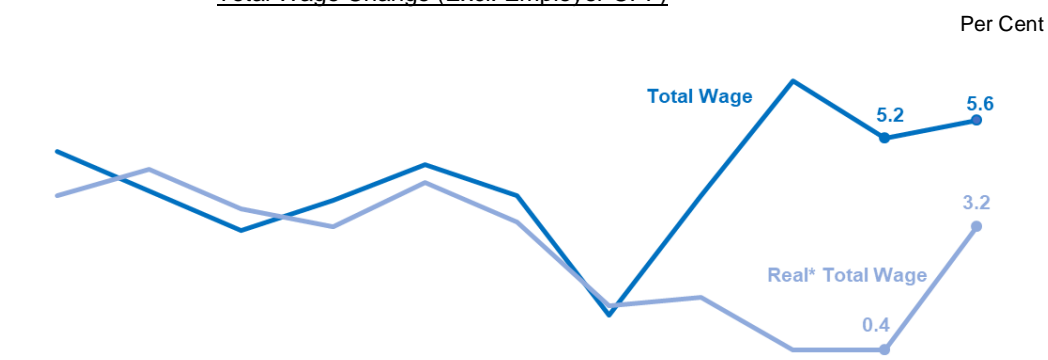
Chart A1: Total Wage and Basic Wage Changes, 2014-2024

Total Wage Change (Incl. Employer CPF)



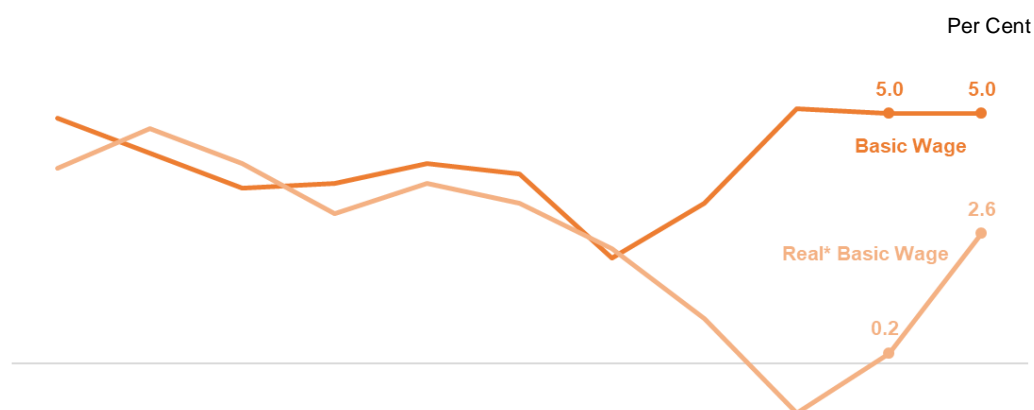
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Wage	4.9	4.9	3.1	3.8	4.6	3.9	1.2	3.9	6.5	5.2	5.6
Real* Total Wage	3.9	5.4	3.6	3.2	4.2	3.3	1.4	1.6	0.4	0.4	3.2

Total Wage Change (Excl. Employer CPF)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Wage	4.9	4.0	3.1	3.8	4.6	3.9	1.2	3.9	6.5	5.2	5.6
Real* Total Wage	3.9	4.5	3.6	3.2	4.2	3.3	1.4	1.6	0.4	0.4	3.2

Basic Wage Change (Excl. Employer CPF)

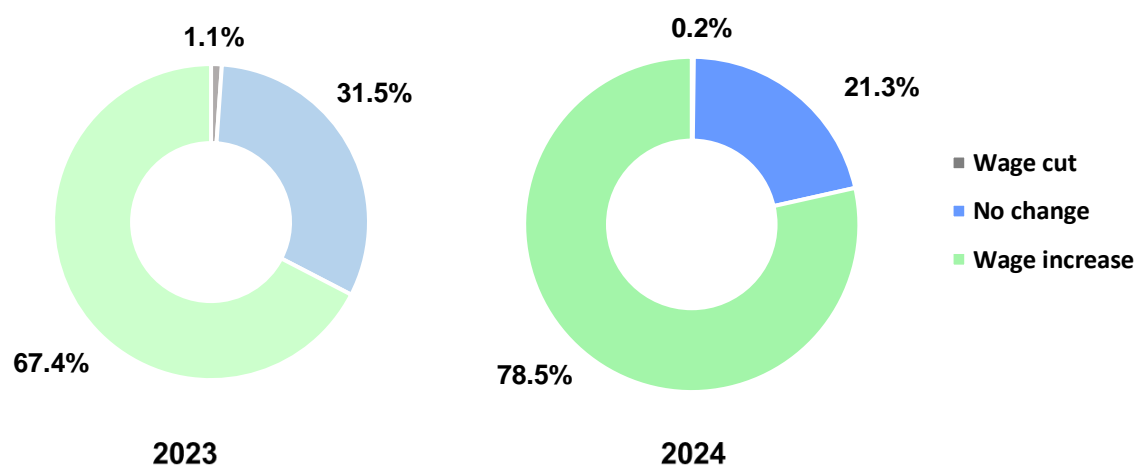


	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Basic Wage	4.9	4.2	3.5	3.6	4.0	3.8	2.1	3.2	5.1	5.0	5.0
Real* Basic Wage	3.9	4.7	4.0	3.0	3.6	3.2	2.3	0.9	-1.0	0.2	2.6

Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Note: * - Deflated by Consumer Price Index (CPI) for all items at 2024 prices (2024 =100)

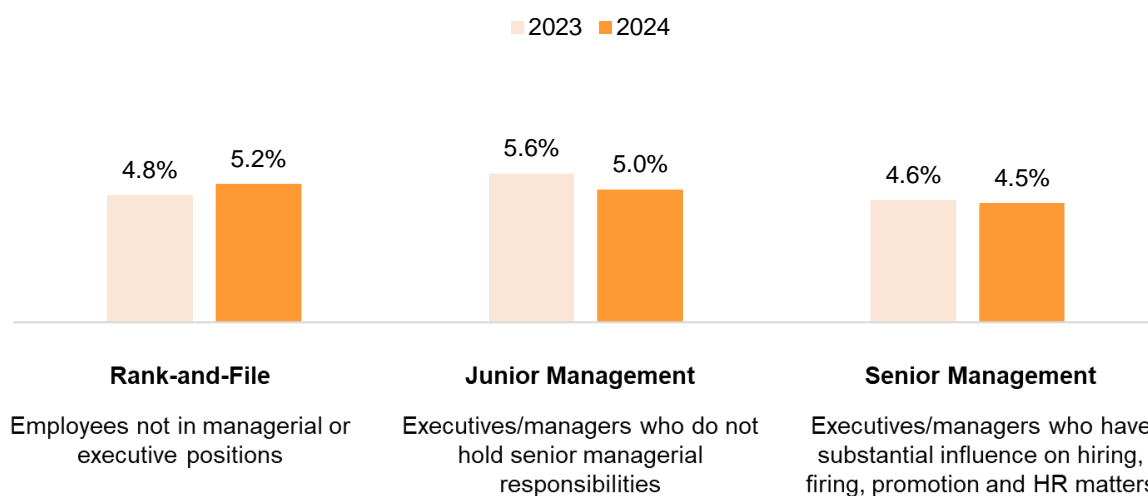
Chart A2: Distribution of Establishment by Basic Wage Change



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

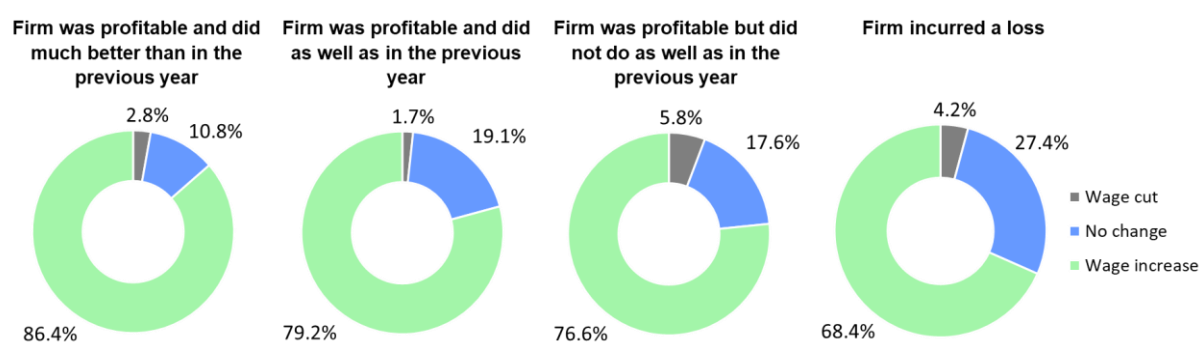
Note: Figure may not sum up to 100% due to rounding.

Chart A3: Basic Wage Change by Type of Employees



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Chart A4: Distribution of Establishment by Total Wage Change and Detailed Profit Status, 2024



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: (1) Figure may not sum up to 100% due to rounding.
(2) Based on private establishments that disclosed their profit status.

Table A1: Total Wage Change by Profit Status

Profit Status	Type	Total Wage Change (%)	
		2023	2024
Profitable and did much better than previous years	Total	6.7	6.6
	RAF	5.8	6.4
	NRAF	7.4	6.8
Profitable and did as well as previous year	Total	5.3	5.5
	RAF	4.8	5.9
	NRAF	5.9	5.0
Profitable but did not do as well as previous year	Total	4.2	4.8
	RAF	4.7	5.2
	NRAF	3.7	4.4
Incurred a loss	Total	4.1	4.5
	RAF	3.6	5.0
	NRAF	4.7	4.0

Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: (1) Based on private establishments that disclosed their profit status.
(2) RAF refers to rank-and-file, NRAF comprise junior and senior management employees.

Table A2: Wage Change by Industry

Per cent

Industry (SSIC 2020)	Type	Total Wage Change		Basic Wage Change	
		2023	2024	2023	2024
Total	Total	5.2	5.6	5.0	5.0
	RAF	4.8	5.8	4.8	5.2
	NRAF	5.6	5.4	5.2	4.8
Manufacturing	Total	4.0	5.1	4.3	4.4
	RAF	3.8	5.6	4.2	4.6
	NRAF	4.3	4.6	4.5	4.2
Construction	Total	4.2	5.5	3.7	4.7
	RAF	4.2	5.5	3.7	5.0
	NRAF	4.1	5.5	3.8	4.3
Services	Total	5.6	5.6	5.4	5.2
	RAF	5.2	5.8	5.1	5.4
	NRAF	6.1	5.5	5.6	5.0
Wholesale Trade	Total	4.1	4.2	4.7	3.9
	RAF	3.3	4.1	4.0	4.0
	NRAF	4.9	4.3	5.3	3.8
Retail Trade	Total	5.6	5.5	5.7	5.0
	RAF	5.6	5.4	5.9	5.1
	NRAF	5.5	5.6	5.4	4.9
Transportation & Storage	Total	4.9	5.5	4.5	4.5
	RAF	4.4	5.3	4.2	4.3
	NRAF	5.7	5.7	5.1	4.8
Accommodation	Total	8.0	5.5	4.8	4.7
	RAF	8.0	6.2	4.9	5.4
	NRAF	8.1	4.9	4.6	4.1
Food & Beverage Services	Total	4.9	4.8	4.6	4.8
	RAF	4.7	5.1	4.4	5.2
	NRAF	5.7	4.1	5.0	4.0
Information & Communications	Total	6.2	5.1	5.9	4.7
	RAF	5.7	4.5	5.9	4.6
	NRAF	6.5	5.5	5.9	4.7
Financial Services	Total	7.6	6.7	6.6	5.4
	RAF	5.9	7.7	4.3	5.3
	NRAF	8.0	6.6	6.9	5.4
Insurance Services	Total	4.4	4.9	5.1	5.0
	RAF	5.1	5.8	5.1	5.1
	NRAF	4.3	4.7	5.1	5.0
Real Estate Services	Total	8.0	5.3	5.1	5.1
	RAF	7.4	5.4	4.6	5.2
	NRAF	8.7	5.2	5.7	5.1
Professional Services	Total	5.1	5.3	5.1	5.2
	RAF	4.8	5.5	4.8	5.3
	NRAF	5.3	5.3	5.2	5.2
Administrative & Support Services	Total	7.1	8.7	8.0	8.1
	RAF	8.0	10.0	8.9	9.4
	NRAF	4.6	5.2	5.6	4.7
Community, Social & Personal Services	Total	5.0	5.7	4.5	5.5
	RAF	4.8	5.3	4.2	5.0
	NRAF	5.3	6.1	4.7	5.9

Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Note: RAF refers to rank-and-file, NRAF comprise junior and senior management employees.

Table A3: Annual Variable Component by Industry

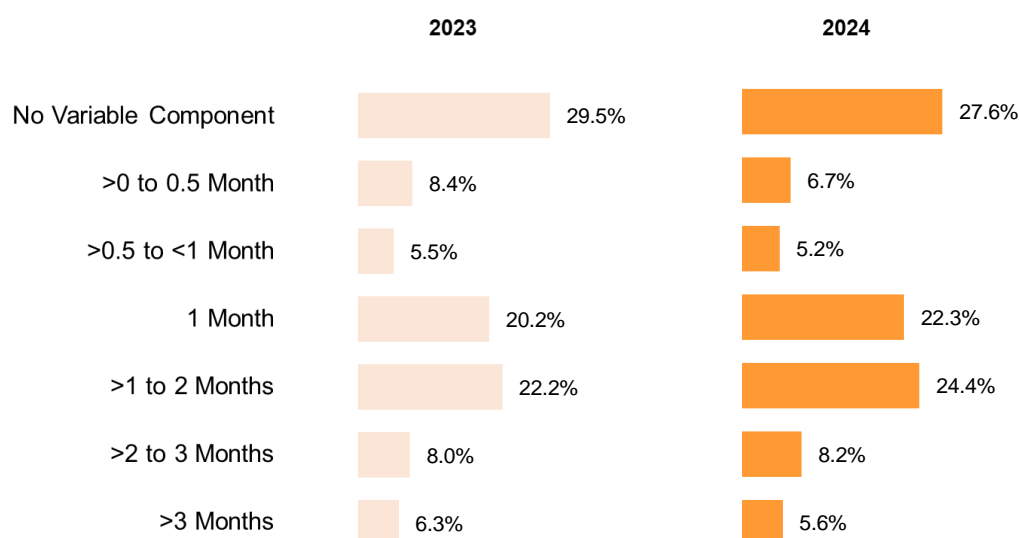
Months of Basic Wage

Industry (SSIC 2020)	Type	Annual Variable Component	
		2023	2024
Total	Total	1.76	1.83
	RAF	1.35	1.52
	NRAF	2.19	2.11
Manufacturing	Total	1.83	1.87
	RAF	1.64	1.69
	NRAF	2.05	2.05
Construction	Total	1.23	1.22
	RAF	1.02	1.11
	NRAF	1.52	1.33
Services	Total	1.82	1.89
	RAF	1.34	1.53
	NRAF	2.30	2.21
Wholesale Trade	Total	2.00	1.97
	RAF	1.48	1.69
	NRAF	2.44	2.21
Retail Trade	Total	1.16	1.21
	RAF	1.02	1.21
	NRAF	1.46	1.23
Transportation & Storage	Total	1.92	2.74
	RAF	1.67	2.58
	NRAF	2.36	2.98
Accommodation	Total	2.12	2.09
	RAF	1.96	1.90
	NRAF	2.28	2.25
Food & Beverage Services	Total	0.70	0.62
	RAF	0.66	0.59
	NRAF	0.81	0.67
Information & Communications	Total	1.75	1.39
	RAF	1.49	1.18
	NRAF	1.92	1.52
Financial Services	Total	3.11	3.19
	RAF	2.38	2.69
	NRAF	3.23	3.28
Insurance Services	Total	2.14	2.05
	RAF	1.63	2.03
	NRAF	2.28	2.05
Real Estate Services	Total	2.16	1.98
	RAF	1.90	1.61
	NRAF	2.44	2.43
Professional Services	Total	1.81	1.65
	RAF	1.61	1.38
	NRAF	1.94	1.77
Administrative & Support Services	Total	0.98	1.20
	RAF	0.84	1.11
	NRAF	1.37	1.42
Community, Social & Personal Services	Total	2.04	2.00
	RAF	1.69	1.72
	NRAF	2.41	2.27

Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: (1) RAF refers to rank-and-file, NRAF comprise junior and senior management employees.
(2) Data on annual variable component for a reference year is collected twice. Once during the reference year and once more a year later to facilitate calculation of total wage changes in the same establishment received by a fixed cohort of employees. This table is based on annual variable component collected in the reference year.

Chart A5: Distribution of Establishments by Quantum of Annual Variable Component

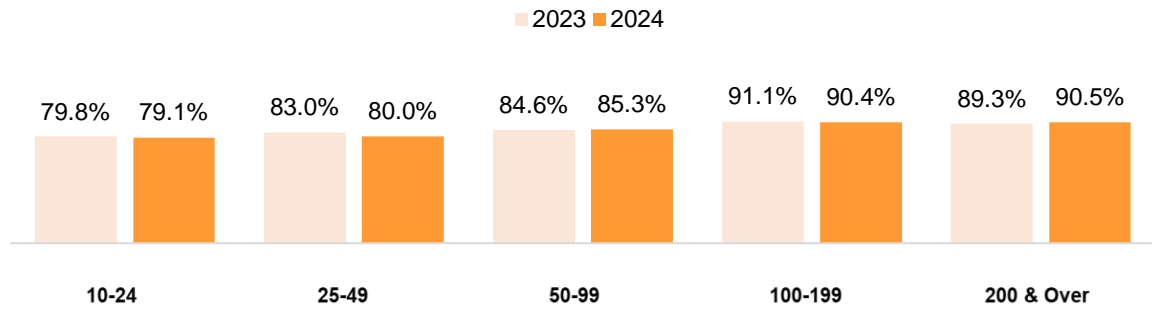


Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: (1) Figures may not sum up to 100% due to rounding.

(2) Data on annual variable component for a reference year is collected twice. Once during the reference year and once more a year later to facilitate calculation of total wage changes in the same establishment received by a fixed cohort of employees. Data in this chart are based on annual variable component collected in the reference year.

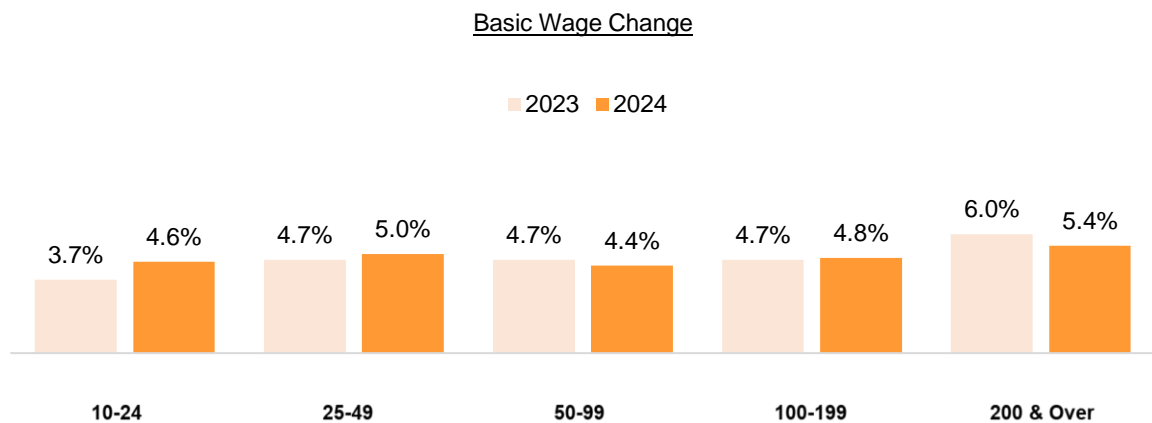
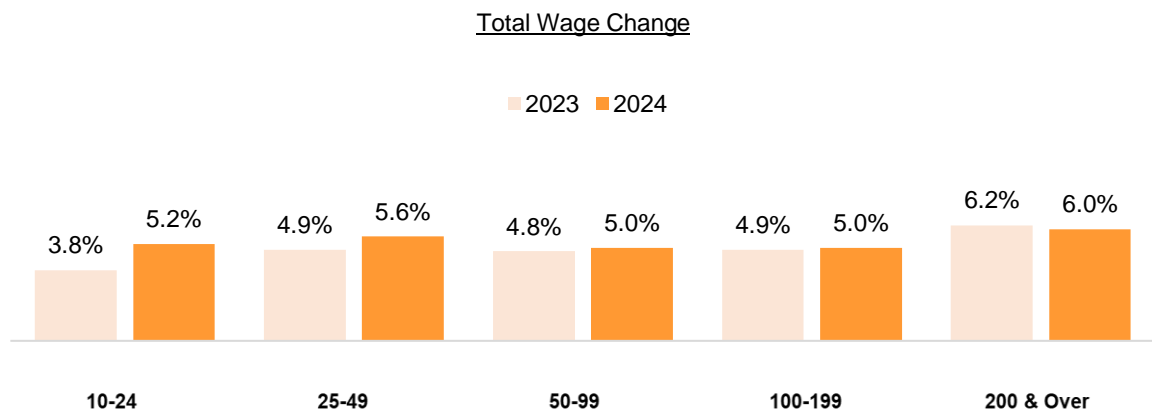
Chart A6: Proportion of Profitable Establishments by Establishment Size



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

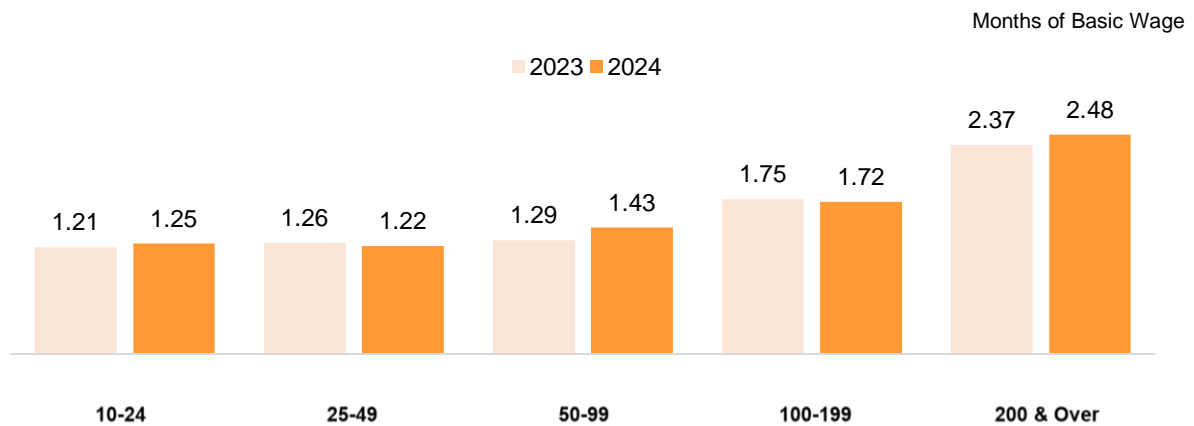
Note: Based on private sector establishments that disclosed their profit status

Chart A7: Wage Change by Establishment Size



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

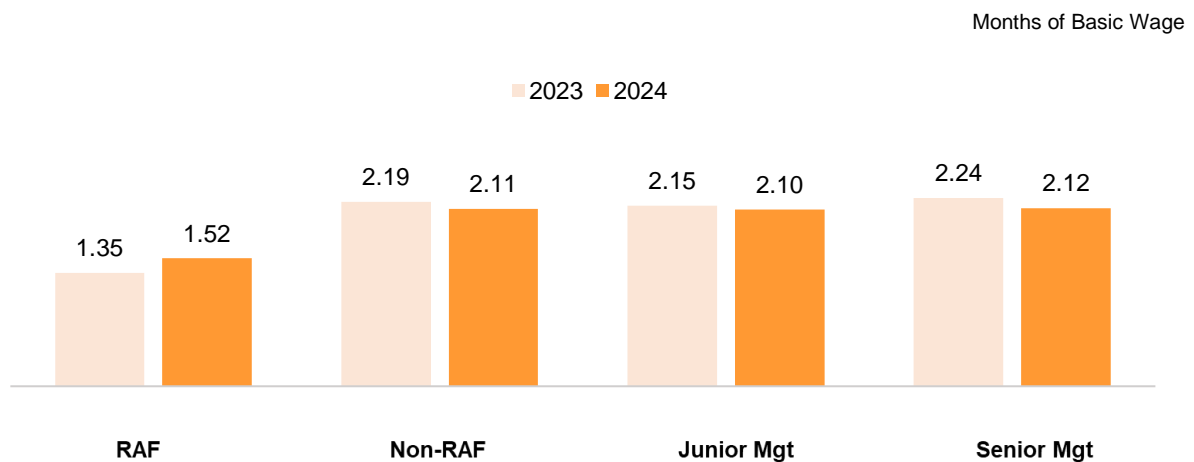
Chart A8: Annual Variable Component by Establishment Size



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: Data on annual variable component for a reference year is collected twice. Once during the reference year and once more a year later to facilitate calculation of total wage changes in the same establishment received by a fixed cohort of employees. Data in this chart are based on annual variable component collected in the reference year.

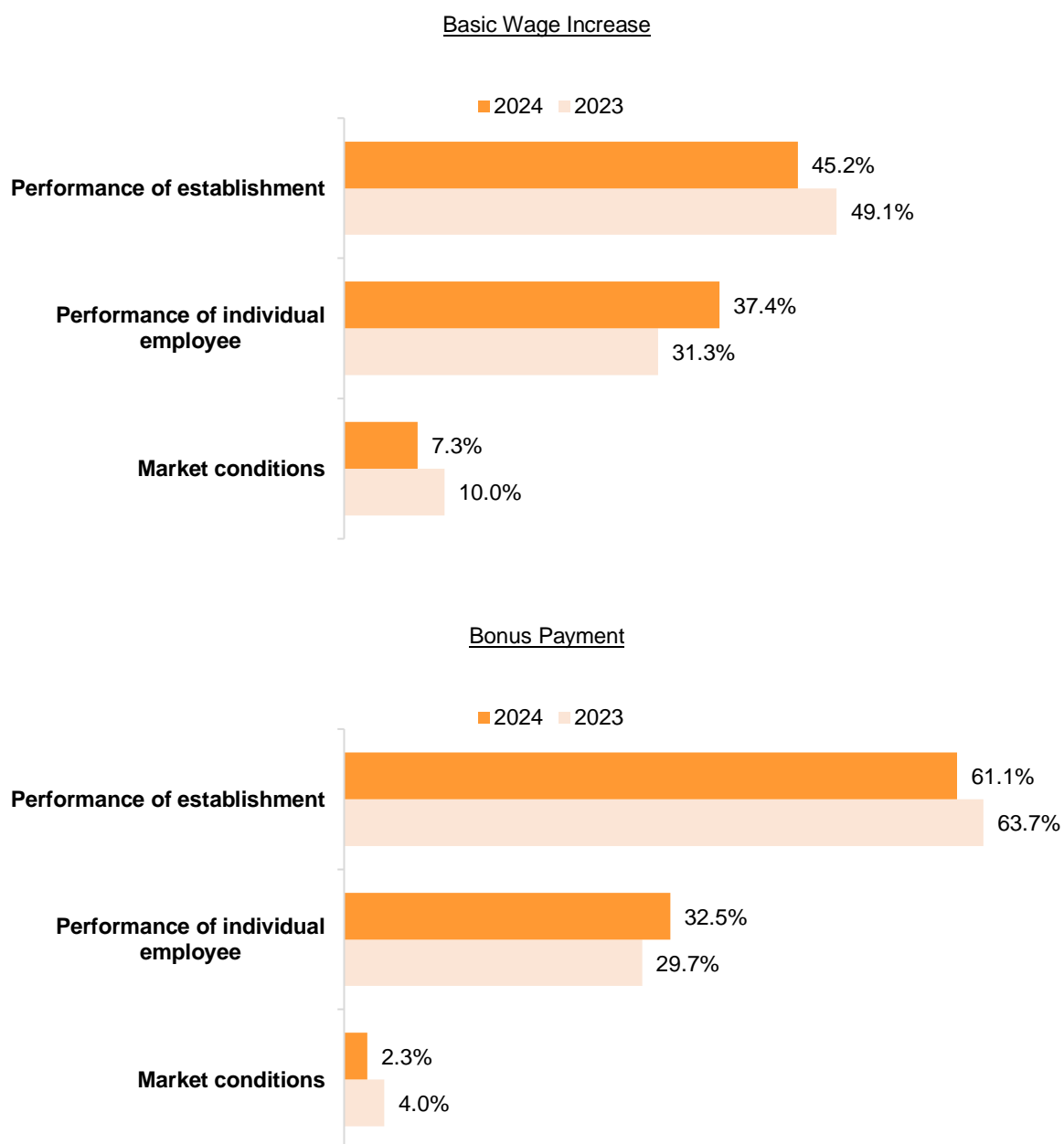
Chart A9: Annual Variable Component by Employee Type



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: (1) RAF refers to rank-and-file. Non-RAF comprise junior and senior management employees.
(2) Data on annual variable component for a reference year is collected twice. Once during the reference year and once more a year later to facilitate calculation of total wage changes in the same establishment received by a fixed cohort of employees. Data in this chart are based on annual variable component collected in the reference year.

Chart A10: Proportion of Establishments by Main Factors Considered when Determining Basic Wage Increases and Bonus Payment



Source: Survey on Annual Wage Changes, Manpower Research and Statistics Department, MOM

Notes: (1) Based on private establishments that had basic wage increase and/or bonus payment in their wage structure respectively.
 (2) Figures may not sum up to 100% as only top three factors are shown.

SURVEY COVERAGE AND METHODOLOGY

SURVEY ON ANNUAL WAGE CHANGES, 2024

Introduction

The *Survey on Annual Wage Changes, 2024* was conducted by the Manpower Research and Statistics Department of the Ministry of Manpower under the Statistics Act 1973 (2020 Revised Edition). The survey fieldwork was conducted from 22 November 2024 to 21 April 2025.

Objective

The survey was conducted to obtain information on the extent of wage changes in 2024.

Coverage

The survey covered private sector establishments with at least 10 employees. Some 6,160 private establishments responded to the survey. These establishments employed 1,114,500 employees which included 587,400 resident full-time employees on the Central Provident Fund (CPF) scheme with at least 1 year in service (comprising 257,100 rank-and-file employees, 227,800 junior and 102,500 senior management staff) and 356,500 non-resident employees. Resident full-time employees with less than a year of service, or on part-time formed the remaining 170,700. The survey response rate was 86.6%.

The results were weighted to reflect the population of private sector establishments with at least 10 employees by using expansion factors based on sampling fraction.

Methodology

The survey was conducted using online questionnaires. Respondents could submit their returns online, with clarifications made over the phone.

Reference Period

The reference period for the survey was November 2023 to November 2024.

Data Collected

The establishments were asked to provide information on the average basic wage change, Annual Wage Supplement (AWS) and Variable Bonus (VB) to employees in 2024. The information collected pertains to full-time employees on the CPF scheme who had been with the establishment for at least one year as at 30 November 2024.

Analysis

Findings on the extent of wage changes in private sector in 2024 is based on private establishments with at least 10 employees. Unless otherwise stated, all data on annual variable component are based on data collected in the reference year.

Classification

The industries of the surveyed establishments were classified according to the Singapore Standard Industrial Classification (SSIC) 2020.

Reliability of Data

In a sample survey, inferences about the target population are drawn from the data collected from the sample. Errors due to extension of the conclusions based on one sample to the entire population are known as sampling errors. The sampling error of an estimate is the extent of variation between the estimated value obtained from a sample and the true value from the population. Factors influencing the sampling error include the sample size, the sample design, method of estimation, the variability of the population and the characteristics studied.

A common measure of the sampling error of an estimate is its standard error, which is a measure of the variation among the estimates derived from all possible samples. An alternative measure is the relative standard error of an estimate which indicates the standard error relative to the magnitude of the estimate. A sample estimate and an estimate of its standard error can be used to construct an interval that will, at specified levels of confidence, include the true value. By statistical convention, the confidence level has been set at 95 per cent.

Estimates of the sampling variability of selected indicators are as follows:

	Estimate	Standard Error	Relative Standard Error (%)	95% Confidence Interval	
				Lower	Upper
Total Wage Change (Incl. Employer CPF)^	5.6%	0.09%-pt	1.6%	5.4%	5.7%
Total Wage Change (Excl. Employer CPF)^	5.6%	0.09%-pt	1.6%	5.4%	5.7%
Basic Wage Change^	5.0%	0.07%-pt	1.4%	4.9%	5.1%
Variable Component^ (months of basic wage)	1.83	0.02	1.11%	1.79	1.87
Proportion of establishments which adopted some form of Flexible Wage System (FWS)#	76.0%	1.2%-pt	1.6%	73.6%	78.4%

Notes:

(1) ^ Wage growth pertains to wage increases granted by private sector establishments (with at least 10 employees) to full-time employees on CPF Scheme who were in continuous employment for at least a year.

(2) # This refers to those who had adopted either the monthly variable component (MVC) or annual variable component (AVC).

Concepts and Definitions

Total number of paid employees:	This refers to the number of persons, both local and foreign, working <u>directly</u> for the establishment, including employees who on this day are on sick leave, annual leave, etc. but are still on the establishment's payroll. These permanent and/or temporary employees can work on a full-time or part-time basis. It includes piece-rated workers but excludes workers who work 'on and off' (e.g. exhibition and convention workers hired especially for an event for short durations (say 3 – 5 days)).
Local employees:	This refers to Singapore Citizens and Permanent Residents.
Rank-and-File Employees:	This includes employees who are in technical, clerical, sales, service, production, transport, cleaning and related positions. They are not employees in managerial or executive positions.
Junior Management Staff:	This refers to executives and managers who do not hold senior managerial responsibilities. They do not have substantial influence over hiring, firing, promotion, transfer, reward or discipline of employees.
Senior Management Staff:	This refers to executives and managers who have substantial influence over hiring, firing, promotion, transfer, reward or discipline of employees.
Basic Wage:	This refers to the total basic pay before deduction of the employees' CPF contributions and personal income tax. It excludes employers' CPF contributions, bonuses, overtime payments, commissions, allowances (e.g. shift, food, housing and transport), other monetary payments and payments-in-kind.
Basic Wage Adjustment:	This usually comprises wage adjustments and built-in increments such as annual (or service), merit and NWC increments. Promotional increments are excluded.

Annual Wage Supplement (AWS):	This refers to the annual payment usually made at year-end and is commonly known as the 13th month allowance.
Variable Bonus (VB):	This refers to the payment given in addition to the AWS. It includes incentive payments and 'ang pows' but excludes AWS. The variable bonus is usually linked to establishment and/or individual performance and may vary from year to year. It may be paid in a lump sum or divided into several payments over the year; in which case the several payments should be added together.
Annual Variable Component (AVC):	This usually consists of 2 components i.e. AWS, and VB. Generally, the annual variable component is linked to establishment's profitability.
Monthly Variable Component (MVC):	This refers to the component of monthly basic wage that can be adjusted easily and quickly to meet changing business conditions. It should attract CPF, overtime pay, allowances, etc. The MVC can be built-up through wage increase or 'hived-off' from basic wage. Establishments can also implement a cut in basic wage by reducing MVC.
Market Conditions:	This can refer to a country's economic performance, industry's and/or transnational organisation's performance (in the case of multi-national corporation).

Formulae

- Basic Wage Change in 2024

$$= \frac{\text{End 2024 Basic Wage} - \text{End 2023 Basic Wage}}{\text{End 2023 Basic Wage}} \times 100\%$$

- Total Wage Change in 2024

$$= \frac{2024 \text{ Total Wage} - 2023 \text{ Total Wage}}{2023 \text{ Total Wage}} \times 100\%$$

Where:

Total Wage = Annual Basic Wage + Annual Variable Component (i.e. Annual Wage Supplement and Variable Bonus)

FEEDBACK FORM

Report Title: Report on Wage Practices 2024

1. How would you rate this report in terms of:

	Excellent	Good	Average	Poor
a) Relevance to your work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Providing useful insights on prevailing labour market trends/development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Ease of understanding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Which area(s) of the report do you find most useful? Please provide reasons.

3. How do you find the length of the report?

☐ Too detailed ☐ Just right ☐ Too brief

4. Overall, how would you rate this report?

Excellent	Good	Average	Poor
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. What additional information (if any) would you like us to include in our future issues?

6. Any other comments or suggestions you wish to bring to our attention?

Thank you for your valuable feedback

Name of Officer: _____ Designation: _____

Department: _____

Please return the above to:

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Manpower Research and Statistics Department

Ministry of Manpower

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Singapore 059764

Republic of Singapore

Fax: 6317 1804

Email: mom_rsd@mom.gov.sg

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Labour Market Advance Release Third Quarter 2025	30-31 Oct 2025*

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Labour Market Advance Release Fourth Quarter 2024	27 Jan 2025
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