



Overtime Pay in Singapore: Calculate the Hourly Rate Correctly

Description

For an employee covered by the Employment Act overtime provisions, overtime is paid at least 1.5 times the hourly basic rate. Confirm coverage, use basic rate of pay rather than gross salary, and retain the hours record.

Confirm coverage first

Not every employee is covered by the Part IV hours and overtime provisions. Record role, salary basis and coverage conclusion. ([MOM overtime calculator guide](#))

The formula uses the hourly basic rate, not every allowance or gross-pay component. Identify the monthly basic salary from the contract and payslip.

Situation	What changes
Employee is covered by overtime provisions	Use the official monthly-rated or daily-rated formula
Role or salary may fall outside coverage	Confirm coverage before calculating
Work occurs on rest day or public holiday	Use the separate applicable rule
Hours record differs	Reconcile roster, clocking, approvals and payslip

Related: [check payslip presentation](#)

Apply the official divisor

MOM provides formulas for monthly-rated employees based on normal working hours. Do not invent a 30-day or 22-day divisor when the official formula applies. ([MOM hours and overtime guide](#))

Count authorised or required overtime from the records and apply at least 1.5 times the hourly basic rate. Separate rest-day and public-holiday work.

Example: If the official formula produces an hourly basic rate of S\$20 and there are 8 eligible overtime hours, overtime at 1.5 times is S\$240. Replace both inputs with the employee record.

Respect work-hour controls

Payment does not remove maximum-hour, break and safety duties. Flag excessive patterns for workforce planning.

The payslip should let another person reproduce quantity, rate and amount. Retain rosters, time records, approvals and correction evidence.

- Confirm overtime coverage
- Identify basic salary
- Use official hourly formula
- Verify eligible hours
- Apply at least 1.5 times
- Separate special-day work
- Reconcile payslip and records

Related: [retain time and payroll evidence](#)

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