



Workers earning up to S\$2,800 should get 6 to 8 per cent raises from 1 December under new NWC guidelines

Description

Lower-wage workers earning up to S\$2,800 a month should get built-in pay rises of 6 to 8 per cent under wage guidelines that take effect on 1 December 2026, after the Government accepted the [National Wages Council's 2026/2027 guidelines](#) on 19 October. Firms that have not done well still have a floor: at least S\$120 a month, even if they are making a loss.



The Government accepted the NWC 2026/2027 guidelines on 19 October 2026. Photo: Ministry of Manpower

The guidelines run from 1 December 2026 to 30 November 2027, which makes December's salary the first one they apply to. They are not legally binding. The Government will work with the labour movement, the Singapore National Employers Federation and trade associations to get employers to adopt them.

What the raise depends on

For workers at or below S\$2,800 gross a month, the NWC sets four tiers based on how the employer has done and what its prospects look like.

- Done well, positive prospects: a built-in increase at the higher end of 6 to 8 per cent, or at least S\$135 to S\$170, whichever is higher.
- Done well, uncertain prospects: in the middle of 6 to 8 per cent, or at least S\$135 to S\$170, whichever is higher.
- Not done well but still profitable: the lower end of 6 to 8 per cent, or at least S\$120, whichever is higher.
- Not done well and unprofitable: at least S\$120.

The unprofitable tier is new this year. The NWC created it for firms whose total expenses exceed their total income, a group it recognised as financially stretched while still expecting them to raise pay. Both the percentage range and the dollar floors are higher than last year's guidelines.

Firms that have done particularly well are encouraged to go above these numbers. Employers that improve later in the year are asked to review wages again.

What counts as gross monthly wage

The S\$2,800 line is measured on gross monthly wage. That covers basic pay, including the monthly variable component, plus allowances such as travel, food and housing, productivity incentives and overtime. It includes the employee's CPF contribution but not the employer's, and it leaves out the Annual Wage Supplement and bonuses.

The threshold sits at the 20th percentile wage of full-time employed residents in 2025.

Part-time workers are covered by the percentage range but not the minimum dollar amounts. In sectors covered by a Progressive Wage Model, such as cleaning, security, landscaping, retail and food services, employers must still meet the PWM wage requirements whatever their business prospects or profits.

For workers above S\$2,800

There is no fixed number for everyone else. Employers that have done well and have positive prospects should give built-in increases and variable payments such as bonuses or one-off payments in line with performance.

Firms that have done well but face uncertain prospects should lean on variable payments and may hold back on built-in increases. Firms that have not done well may exercise wage restraint, with management leading by example.

The economy behind the numbers

The NWC called the posture positive-leaning. Singapore's economy grew 6.0 per cent year on year in the first three quarters of 2026, led by AI-related demand in electronics and precision engineering, while food and beverage services contracted. CPI-All Items inflation averaged 1.8 per cent from January to August.

Employersâ?? CPF contribution rates for workers aged above 55 to 65 rise by 0.5 percentage points on 1 January 2027, and under the guidelines, employers may take that cost into account when setting raises. To help with lower-wage increases, the Progressive Wage Credit Scheme co-funds 30 per cent of eligible wage increases for resident lower-wage workers in 2026 and 2027, and 20 per cent in 2028. From 2027, the average gross monthly increase must be at least S\$200 for an employer to qualify.

Date Created

21/10/2026

Author

rachelng

default watermark