

Public Consultation on the SkillsFuture Singapore Agency ("SSG") and Skills Development Levy ("SDL") (Amendment) Bill 2022 –
Table of proposed policies

	Current provision	Proposed policies	Reason for amendment / Remarks
A. Designate abusive funding arrangements as an offence			
1.	NA	<p><u>Prohibition against facilitation of abusive funding arrangement</u></p> <p>1. To create new provisions to empower SSG to take action against parties who abuse SSG funding, and define an abusive funding arrangement or transaction as one that results or will result in a party obtaining:</p> <p>a. any incentive, a grant or a loan from the Agency that a party would otherwise not have obtained; or</p> <p>b. an amount of any incentive, grant or loan from the Agency higher than what a party would have obtained without that arrangement or transaction.</p> <p>2. To create new provisions to empower SSG to take action against parties who abuse SSG funding, if the party:</p> <p>a. facilitates a funding arrangement that is an abusive funding arrangement;</p> <p>b. knows or has reason to believe that the funding arrangement is an abusive funding arrangement; and</p> <p>c. intends by facilitation of that abusive funding arrangement to dishonestly or fraudulently induce the Agency to give any incentive, grant or loan to that party or another party.</p>	<p>SSG faces risks from its funding of private training providers:</p> <ol style="list-style-type: none"> i. Non-compliance – Training providers might flout terms of the funding agreement; ii. Non-delivery / sub-par performance – Training providers may not deliver on obligations and expected performance, either due to lack of capabilities, or a deliberate misuse of funding schemes; iii. Fraud – Training providers may commit outright fraud. <p>This allows SSG recourse to enforcement actions beyond the contractual levers that SSG relies on for redress currently.</p>

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		<p>It is presumed, until the contrary is proven, that a party intends by the facilitation to dishonestly or fraudulently induce SSG to give monies if the arrangement consists any step(s) which is capable of assisting any party who enters into that arrangement to obtain the monies.</p> <p>It is also not a defence that the accused did not obtain any monies from the Agency.</p> <p>3. To create new provisions for parties guilty of the offence to be liable on conviction:</p> <ul style="list-style-type: none"> a. to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both, and b. to pay a penalty equal to the amount of wrongly obtained funding, or would have obtained if the offence had not been detected, from SSG as a result of the offence. 	
B. Designate false and/or misleading advertisements as an offence			
1.	NA	<p><u>Prohibition against certain advertisements</u></p> <p>To create new provisions against false or misleading advertisements in relation to SSG and its funding schemes:</p> <ul style="list-style-type: none"> a. To make it an offence to knowingly or recklessly distribute or publish any advertisement relating to SSG's funding schemes which is false or misleading in a particular material. The offence is punishable at up to 6 months imprisonment or \$5,000 fine, or both. 	<p>SSG has encountered cases of misrepresentation of SSG-approved courses/funding information. Examples include:</p> <ul style="list-style-type: none"> i. Falsely indicating that a course is recognised by Government; ii. Falsely indicating that a course is free when it actually uses individuals' SkillsFuture Credit (SFC); iii. Inaccurate promise of SkillsFuture Qualification Award following course completion.

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		<p>b. To allow SSG to direct the defaulting party (including marketing agents) to take remedial actions (without compensation) with regard to the advertisement (i.e. remove/modify/cease publication of the advertisement, or issue corrective advertisement), and make the contravention of the direction an offence. A defaulting party who, without reasonable excuse, fails to comply will be guilty of an offence and punishable at up to 12 months imprisonment or \$10,000 fine or to both, and in the case of a continuing offence, to a further fine not exceeding \$1,000 for every day or part of a day during which the offence continues after conviction.</p>	
C. Allow SSG to direct remedial actions, with failure to comply an offence			
1.	NA	<p><u>Refund of monies paid for course in training course, etc.</u></p> <p>To create new provisions to direct parties to take remedial actions:</p> <p>a. Applies if the course: (i) does not start on the scheduled starting day, or (ii) ceases to be provided at any time after it starts but before it is completed.</p> <p>b. To allow SSG to direct parties (e.g. training providers) to take remedial actions: (i) refund trainee or any other person the money received by the training provider from that trainee/person for the trainee's participation in the course, and/or (ii) refund to the Agency the amount of funding given by the Agency to the training provider in respect of the trainee's participation in the course.</p>	<p>The proposed amendments will allow SSG to effect stronger deterrence and better safeguard the interest of different parties e.g. trainees, and SSG.</p>

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		c. To make the failure to comply an offence. The offence is punishable at up to 12 months imprisonment or \$10,000 fine, or both.	
D. Expand scope of investigative powers			
1.	NA	<u>Appointment of inspectors</u> To allow the Agency to appoint any of its officers or employees to be an inspector for the purposes of this Act. The agency must issue to every inspector an identification card that identifies him or her as an inspector. An inspector must produce his or her identification card for inspection before exercising a power under this Act, and at any time during the exercise of a power under this Act if asked to do so.	This provision on appointment of inspectors is similar to section 29 of the Private Education Act 2009. It is intended to minimise the risk of abuse of the exercise of the more invasive investigation powers set out in the new section 57A of SSG Act / 15A of SDL Act, by limiting the powers to officers and employees of SSG appointed as inspectors.
2.	NA	<u>Additional powers of inspectors</u> In addition to the powers conferred on an inspector under this Act, the inspector may exercise the following powers for the purpose of investigating an offence under this Act: (a) Powers to conduct search and seize <ul style="list-style-type: none"> (i) To allow SSG staff appointed as inspectors to enter any premises, and search for, seize and remove any document or thing from the premises, or make copies thereof that are deemed necessary as part of evidence gathering. (ii) If the inspector is unable to make copies of the document, or transfer the information from the document, he or she may: (i) seize the computer or other equipment (including a 	The proposed expanded investigative powers will allow SSG to conduct its investigations more effectively. These powers include: <ul style="list-style-type: none"> i. broadening the scope of what the investigative powers can be applied to, beyond verifying statements in connection with SSG funding only, to allow SSG inspectors to investigate an offence under the Act; ii. broadening the scope of investigative powers, such as requiring parties to furnish evidence of identity, or the presence of individuals to assist in investigation, conducting oral examination and statement-taking, and conducting search and seize.

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		<p>mobile telephone) in which the document or material is stored, as evidence in proceedings; and (ii) require any party having charge of, or otherwise concerned with the operation of, the computer or equipment to disclose any password or access code for gaining access to the document stored in the computer or equipment.</p> <p>(b) Powers to require parties to provide evidence of identity: To allow SSG to require any party whom an SSG inspector reasonably believes to have committed the offence to provide evidence of his identity.</p> <p>(c) Powers to require attendance: To allow an SSG inspector to require the attendance of any party within the limits of Singapore who appears to be acquainted with the circumstances of the case.</p> <p>(d) Powers to conduct oral examination and record statements: To allow an SSG inspector to examine orally any party reasonably believed to be acquainted with the facts or circumstances of the case or with such other matter as the inspector may specify, and reduce into writing the answer given or statement made by that party.</p> <p>(e) Powers to verify information: To allow SSG inspectors to exercise powers for the purpose of investigating an offence under the Act.</p> <p>(i) The current provision is restrictive, in that SSG officers can only verify statements by a party who applies or has applied for an incentive, grant, or a loan from SSG.</p>	

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		<p>(ii) However, the proposed regulatory powers of SSG goes beyond offences that directly involve SSG funding, such as false/misleading advertising.</p> <p>(iii) Thus, the amendment is intended to broaden the scope of the provision to empower SSG to also verify statements from all parties of interest to determine whether any provision in the SSG Act has been or is being contravened.</p>	
3	A party must not obstruct or hinder a member or an employee or agent or a delegate of the Agency who is exercising any power or discharging any duty under this Act.	<p><u>Penalty for obstructing Agency in carrying out its functions</u></p> <p>Proposed penalty: Failure to comply with any of the above will be an offence, punishable at up to 6 months imprisonment or a \$5,000 fine, or both.</p>	The proposed amendment will make it an offence for a party not to comply with any requirements imposed by the inspector pursuant to the new section 57A of SSG Act / 15A of SDL Act.
E. Refine the coverage of funding under the SSG Act			
1	The SSG Act is currently not explicit on using non-SDF monies to fund SSG's employer-related schemes that do not directly pertain to the provision of training, such as absentee payroll and training	<p><u>Refine coverage of funding under the SSG Act for employer-related and other types of funding</u></p> <p>To amend the SSG Act to expressly set out a legal basis for all types of funding that SSG disburses or may disburse.</p>	It is important for SSG to be able to continue tapping on non-SDF monies for all types of funding that support our efforts to ramp up Continuing Education and Training, including employer-related schemes.

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	incentives for employers.		
F. Align the Skills Development Levy (SDL) collection rules with the Central Provident Fund (CPF)			
1	“remuneration” means any wages, salary, commission, bonuses, allowances (including a housing allowance or other like allowance) or other emoluments paid in cash by or on behalf of an employer to an employee, and includes any leave pay.	<p><u>To align the definition of “remuneration” in the SDL Act with the definition of “wages” in the CPF Act.</u></p> <p>To avoid any confusion by employers when computing SDL liabilities due to the differing definitions of what constitutes monthly income today under the SDL Act and CPF Act.</p> <p>‘Wages’ is defined in the CPF Act as ‘the remuneration in money, including any bonus, due or granted to a person in respect of the person’s employment but does not include such payments as the Minister may, by notification in the <i>Gazette</i>, specify’.</p> <p>‘Remuneration’ is defined in the SDL Act as ‘any wages, salary, commission, bonuses, allowances (including a housing allowance or other like allowance) or other emoluments paid in cash by or on behalf of an employer to an employee, and includes any leave pay’.</p>	In practice, SDL and CPF are both collected by the CPF Board and employers are likely already computing SDL liabilities based on the CPF Act’s definition of wages. This change would better serve public interest and clarify that employers should compute SDL and CPF liabilities using the same basis of monthly income. This would avoid any confusion, thus ensuring ease of compliance.