

Bold measures for tough times

# \$20.5 billion

## Resilience Package

Finance Minister Tharman Shanmugaratnam unveiled a \$20.5 billion package of measures yesterday, aimed at saving jobs, helping viable companies to stay afloat and providing support especially to lower-income households. A period of exceptional

difficulty lies ahead, he told Parliament in his Budget speech. "We are likely to experience the deepest recession in the Singapore economy since our independence, arising from the worst global economic decline in 60 years."

### SAVING JOBS

# \$5.1 billion

It has never been done before. Reflecting the seriousness of the crisis and the desire to preserve Singaporeans' jobs, the Government will give all employers money for every worker on their CPF payrolls - 12 per cent on the first \$2,500 of each month's wages for each employee.

More subsidies will be given to training, and the Government will also step up recruitment.



### HELPING FAMILIES

# \$2.6 billion

Aside from the measures to save jobs, there will be several measures to help families cope. They will get cash from the Government in the form of GST credits, which will be doubled this year. Rebates on rentals and service and conservancy charges have been increased.

Taxpayers will enjoy a personal income tax rebate of 20 per cent, capped at \$2,000, and home owners will get a 40 per cent property tax rebate.



### HELPING COMPANIES

# \$5.8 billion

Small businesses have been complaining that they can't get loans from banks in these tough times. The Government acted yesterday to unclog the credit crunch in a Special Risk-Sharing Initiative.

For the first time, the Government will get involved in trade financing and unsecured loans that will allow companies to pay rentals and wages. And it will take on as much as 80 per cent of the risk.

# \$2.6 billion

A slew of tax measures and grants for businesses will help improve business cash flow and competitiveness. Corporate tax has been cut and all government fees and charges will be frozen to the end of the year.

A property tax rebate of 40 per cent for landlords of factories, offices and shops will save them about \$800 million and hopefully lead to lower rentals for tenants.



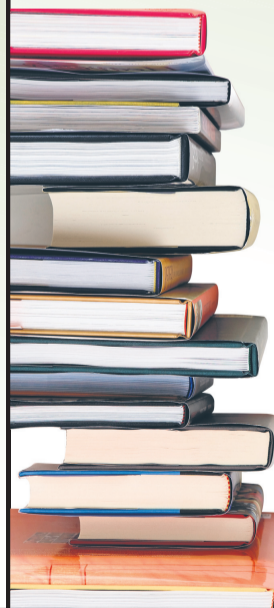
### INVESTING IN THE FUTURE

# \$4.4 billion

The Budget is not only about helping everyone weather the storm. The Government will increase expenditure on public infrastructure and rejuvenate Singapore's neighbourhoods.

It will spend more on education and health care, as well as sustainable development projects such as green transport and clean energy.

All these, Mr Tharman said, were an investment in the future and to help Singapore and Singaporeans gear up for better times.



**“The Resilience Package, totalling \$20.5 billion, is the largest the Government has undertaken in response to an economic downturn.**

**It includes extraordinary measures to prevent a more severe loss of jobs and lasting damage to our economy. Depending on how deep and long the recession is, we are prepared to do more.”**

Finance Minister Tharman Shanmugaratnam

