

NATIONAL WAGES COUNCIL (NWC) 2025/2026 GUIDELINES



1. Wage increases should be fair and sustainable, and employers should adopt the Flexible Wage System (FWS)*

- ✔ NWC encourages employers to **share the profits and gains** from labour productivity improvements.
- ✔ To help wages remain **fair and competitive**, the NWC encourages employers to **regularly review market wage benchmarks and adjust wage ranges accordingly** where possible.

NWC wage guidelines:

All employers

Adopt the Flexible Wage System to enhance their firms' resilience and manage rising costs given the uncertainties ahead.



Employers who have done well and have positive business prospects

Reward employees with built-in wage increases and variable payments[^] commensurate with employers' performance and employees' contributions.



Employers who have done well but face uncertain business prospects

May exercise moderation in built-in wage increases but should still reward employees with variable payments commensurate with the employers' performance and employees' contribution.



*The guidelines apply to all employees in unionised and non-unionised firms and in both public and private sectors. This includes PMETs, rank-and-file, broad middle-income earners in addition to lower-wage workers and re-employed employees, both in full-time and part-time employment.

[^]Examples include Annual Variable Component (AVC) in the FWS/bonuses, and one-off payments.

2. Employers should support sustained wage growth for Lower-Wage Workers (LWWs)



- ✓ NWC calls on employers to provide **higher percentage wage increases** for LWWs, who are earning comparatively lower wages.
- ✓ NWC recommends the following guidelines* for employees earning a gross monthly wage of up to \$2,700:

Employers who have done well and have positive business prospects should provide their LWWs with a **built-in wage increase at the higher end of 5.5%-7.5%** of gross monthly wage, or a wage increase of at least \$105-\$125, whichever is higher.

Employers who have done well but face uncertain business prospects should provide their LWWs with a **built-in wage increase at the middle to lower end of 5.5%-7.5%** of gross monthly wage, or a wage increase of at least \$105-\$125, whichever is higher.

Employers who have not done well should provide their LWWs with a **built-in wage increase at the lower end of 5.5%-7.5%** of gross monthly wage. If business prospects subsequently improve, employers should consider further wage increases.

- ✓ Occupational Progressive Wages (OPW) job levels and descriptions have been updated to take into account evolving job roles, with higher wage requirements set from 1 July 2026 to 30 June 2028.^

3. How can employers and employees drive transformation together?

- ✓ **Stay adaptable and invest in transformation** amid the proliferation of digital technology and AI.
- ✓ **Transform jobs and invest in upskilling and reskilling the workforce**, with support of the Government, trade associations & chambers, and unions.



*The guidelines takes into account the economic outlook and historical median income growth of 4.2% p.a. between 2016-2024.

^Refer to Appendix 2 of the NWC Guidelines for more information.

What employers can do:



Proactively **reskill and upskill employees** for future jobs.



Redesign jobs in tandem with business transformation to increase productivity.



Build up capability to train employees by setting aside adequate budget for continuous education and training, and augmenting it through available capability building programmes.



Strengthen HR capabilities to support transformation across all career stages. HR practitioners should upskill and take up the Institute of Human Resource Professionals (IHRP) Certification.



Conduct structured career conversations with employees to align career aspirations with business needs and identify reskilling or upskilling opportunities.

What employees can do:



Younger workers can build relevant skills by tapping on funds from the SkillsFuture Credit and Union Training Assistance Programme, as well as career preparation initiatives (e.g. mentorship programmes, job search skills workshops and career coaching).



Those seeking to switch careers or explore opportunities in growth sectors may consider the **Career Conversion Programmes**.



Stay informed about **emerging trends, growth areas, and in-demand jobs and skills** through resources such as WSG's Job Transformation Maps, SSG's Jobs-Skills Insights publications, and the annual Skills Demand for the Future Economy Report.



4. What should employers do when implementing the recommendations?



Share information with unions to facilitate wage negotiation (eg. company wage information, business performance and prospects).



Work with **Singapore National Employers Federation (SNEF)**, trade associations and chambers, **National Trades Union Congress (NTUC)** and **Unions** for advice and support in applying the Guidelines.

