

FOR IMMEDIATE RELEASE – 18 FEB 2025**SINGAPORE RETAILERS ASSOCIATION’S RESPONSE TO BUDGET 2025**

In response to Budget 2025, SRA President Mr Ernie Koh said “Amidst headwinds facing the Retail industry, the Singapore Retailers Association (SRA) welcomes the measures that strengthen resilience and competitiveness and buying retailers time to adapt to shifting consumer trends and economic challenges”.

In this tight labour market, the investments in lifelong learning will help enterprises to support their workforce transformation. The SkillsFuture Level-Up Programme, which will be extended to part-timers, is in line with SRA’s Budget recommendations to reskill part-timers and ease their transition into the workforce. The Workforce Skills Support (WSS) would also be enhanced to cover lower-wage workers aged 30 and above. These initiatives offer valuable support for enterprises looking to tap into other manpower pools to address their needs for higher-skilled manpower.

The extension of the SkillsFuture Enterprise Credit (SFEC) beyond Jun 2025, top-up and enhancement to the administration will help alleviate the administrative burden and encourage companies to utilise their SFEC for workforce upgrading and business transformation. We welcome the efforts to streamline the workforce-related grants by Workforce Singapore (WSG) and SkillsFuture Singapore (SSG) under the New SkillsFuture Workforce Development Grant.

Ms Cathy Cheng, Head of Retail Operations of Eu Yan Sang Singapore Pte Ltd “commends the Government’s continued focus on workforce development and upskilling programmes. As a company that values continuous learning and development, Eu Yan Sang believes that these initiatives will empower retail employees to remain adaptable and equipped to meet the demands of a future-ready economy.”

We welcome the increase in the government's co-funding level of wages under the Progressive Wage Credit Scheme to help retailers manage escalating business costs and inflationary pressures. Given the strong headwinds facing the Retail industry while managing the wage increments in the upcoming years, the co-funding levels could be raised further to be in-line with SRA's Budget 2025 recommendations. Mr Jason Lee, Founder & CEO of Scent by SIX, shared that "by offsetting the cost of wage increases, particularly for lower-income roles, the government boosts the appeal of frontline retail work. When employees feel financially respected, they offer better service. This simple cause-and-effect can transform how customers see our shops. Yet manpower pressures linger. Many Singaporeans hesitate at the hours and demands of retail, and businesses had hoped for at least incremental flexibility on foreign worker policies. While the official stance is to drive long-term productivity, shops still need enough staff to run basic operations, particularly during weekends and peak shopping seasons."

The Enterprise Compute Initiative that provides bespoke funding for Artificial Intelligence (AI) projects will help enterprises better leverage on AI for their business transformation. As a technology-driven company, Mr Jan Lim, Chief Business Officer of Lenskart South East Asia believes that "the measures outlined to support businesses on technology and AI adoption will benefit all businesses and the industry as a whole".

Many enterprises have stepped up to show their support for the SG60 year and will be providing special SG60 discounts and offers. As the lead trade association for the Retail industry, SRA will champion this effort and garner the support of the retailers. Together with the new SG60 vouchers and CDC vouchers, these efforts would help to spur domestic retail consumption, especially at the heartlands, and address the industry's concerns of shopper pilferage to Johor Bahru (JB) as a result of the JB-Singapore Rapid Transit System (RTS) link.

We commend the Government's effort as we continue to keep sight of the industry's persistent manpower challenges and build on this Budget by trying out more flexible manpower approaches. SRA urges the industry to continue to reinvent ourselves and persevere with the workforce and business transformation efforts. SRA will work with the industry to coordinate these efforts to maximise our results and confront the challenges together.

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About Singapore Retailers Association

The Singapore Retailers Association (SRA) is a not-for-profit organization dedicated to representing and advancing the interests of the retail industry in Singapore. Established in 1977, SRA provides a platform for retailers to collaborate, innovate, and thrive in a dynamic and competitive landscape. For more information, visit <https://www.sra.org.sg>.