POST-BUDGET SURVEY 2017:
YOUR VOICE ON THE SINGAPORE BUDGET

Introduction

1   As part of SBF's ongoing role as the bridge between businesses and our Government, we conducted two surveys to obtain feedback from our business community on their views on the Singapore Budget 2017. The surveys were:
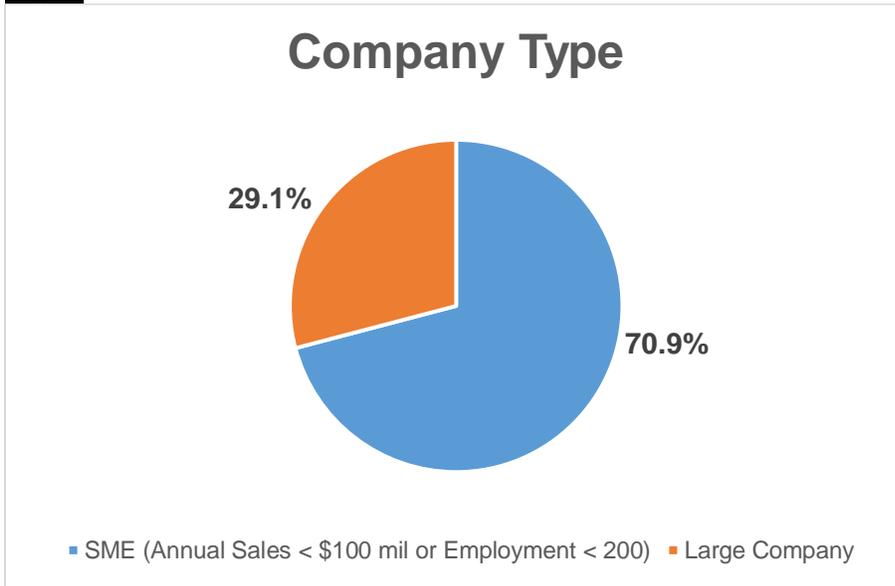
(a) An electronic poll of the company attendees that attended our "Seminar on Budget 2017" held on 8 March. This event was held after the Budget Statement was delivered on 20 February, and after the Committee of Supply Debates for the Ministries of Communications & Information, Finance, Manpower, and Trade & Industry were held.

(b) A more detailed electronic- and paper-based survey that was conducted from 8 March to 21 April. We approached companies through our membership database, SBF corporate website and social media platforms as well as relevant SBF events. We also reached out to the members of the Singapore National Employers Federation through its Secretariat to participate in the survey. A total of 213 responses were collated.

> **Results of the Electronic Poll Conducted at our "Seminar on Budget 2017" Held on 8 March**

Profile of the Respondents

2   There were about 700 attendees at the Seminar. 175 participants took part in the survey.

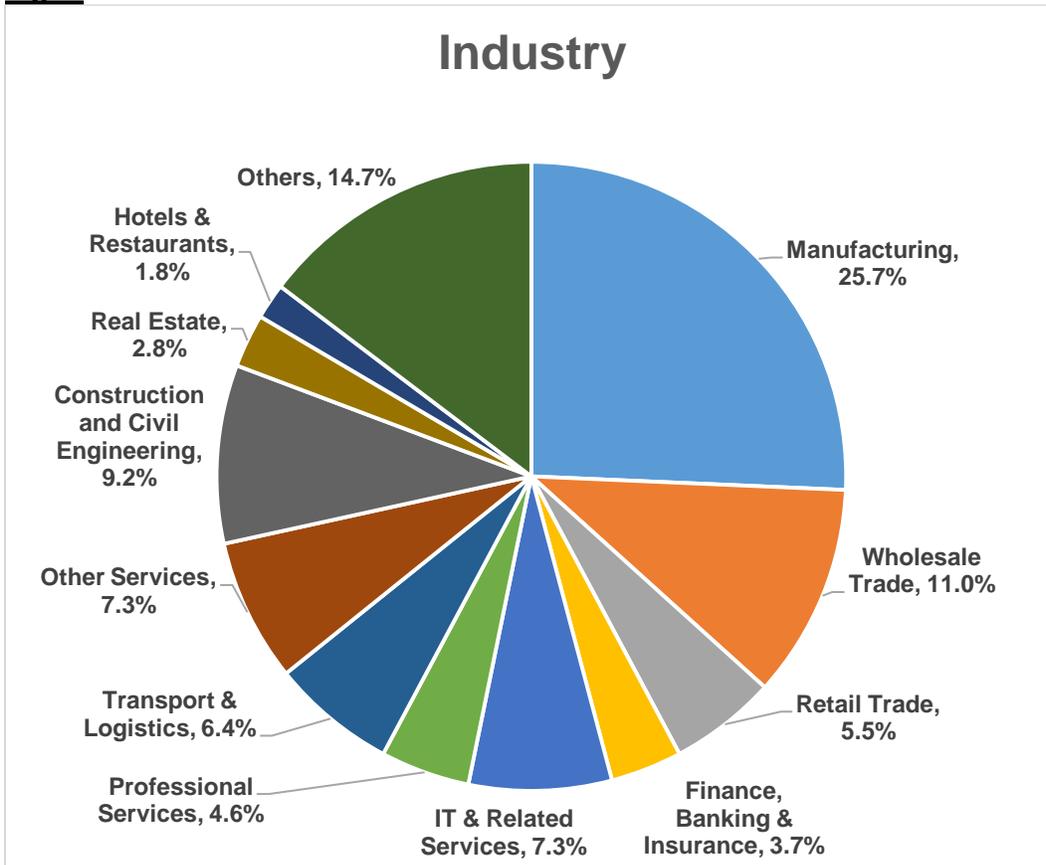3   About two-thirds of the respondents were SMEs. The rest were large companies.

Fig 1:

Company Type

29.1%

70.9%

■ SME (Annual Sales < $100 mil or Employment < 200) ■ Large Company

n = 110

4 The breakdown of the respondents by industry was as follows:

Fig 2:

Industry

Others, 14.7%

Hotels & Restaurants, 1.8%

Real Estate, 2.8%

Construction and Civil Engineering, 9.2%

Other Services, 7.3%

Transport & Logistics, 6.4%

Professional Services, 4.6%

IT & Related Services, 7.3%

Finance, Banking & Insurance, 3.7%

Retail Trade, 5.5%

Wholesale Trade, 11.0%
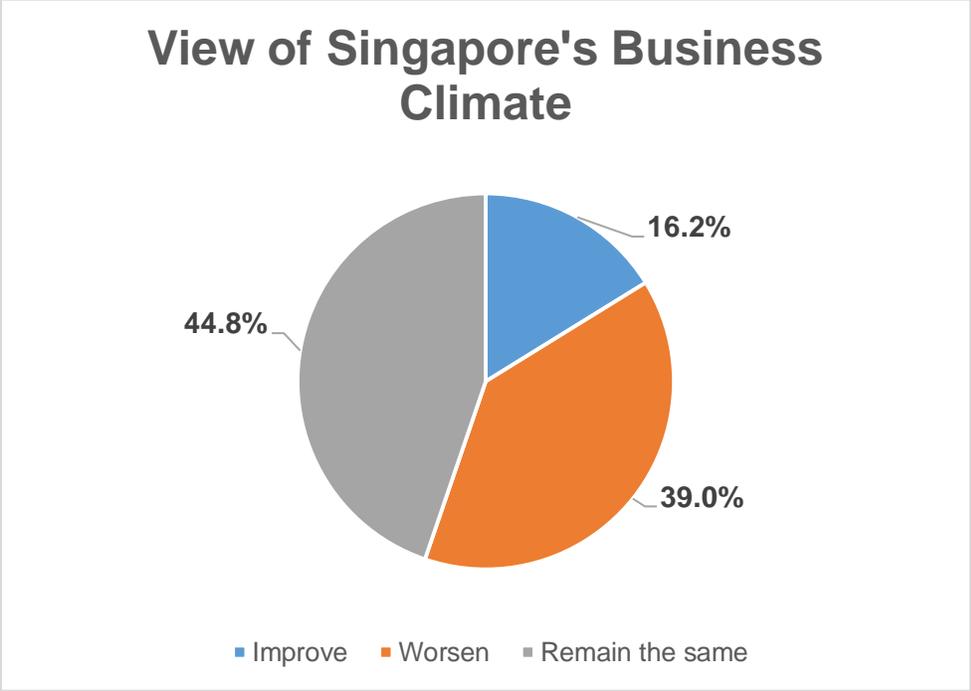
Manufacturing, 25.7%

n = 109

2

Business Outlook

5   Most expected Singapore's business climate to remain the same over the next 12 months.
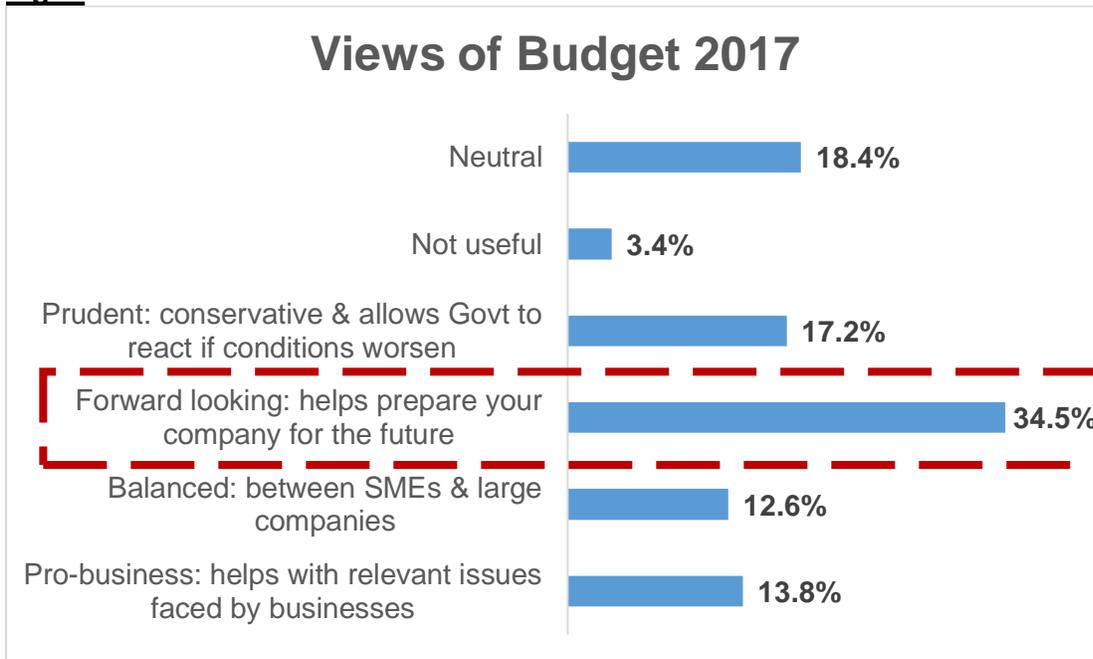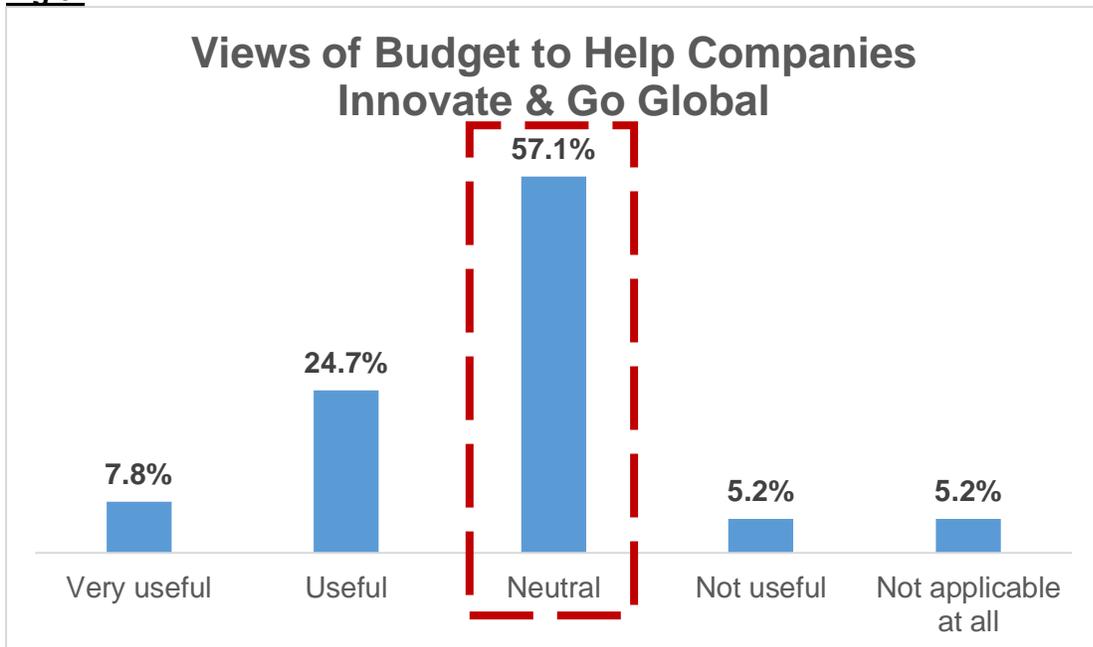
Fig 3:

Overall Sentiments

6   Based on the respondents' indications, majority viewed Budget 2017 as forward looking, which helps their companies for the future.

Fig 4:

Views of Budget 2017

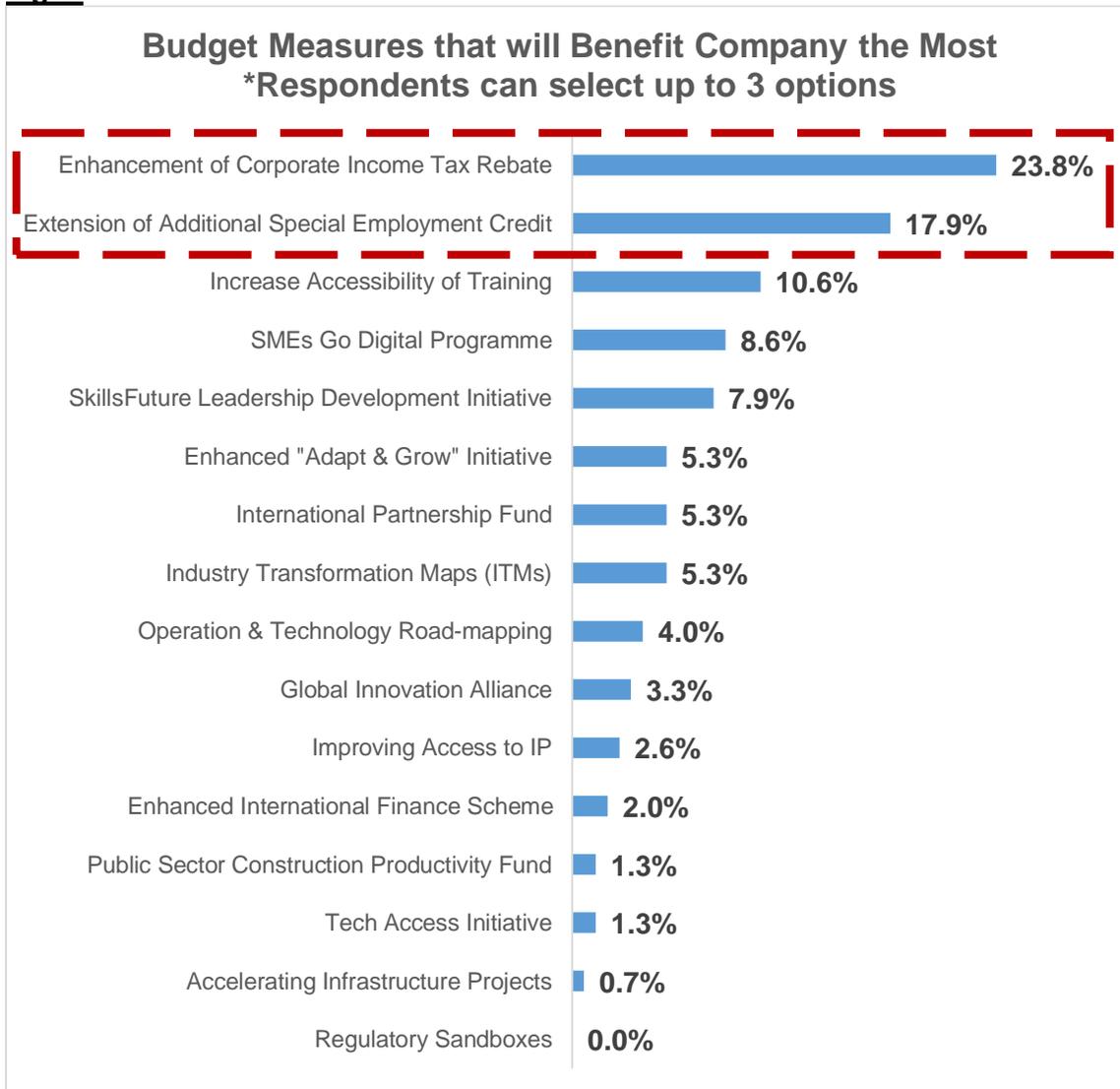|	
Neutral	18.4%
Not useful	3.4%
Prudent: conservative & allows Govt to react if conditions worsen	17.2%
Forward looking: helps prepare your company for the future	34.5%
Balanced: between SMEs & large companies	12.6%
Pro-business: helps with relevant issues faced by businesses	13.8%

n = 87

7   When asked to rate the Budget in terms of helping their companies to innovate and go global, most of the respondents had a neutral view of the Budget on this aspect.

Fig 5:

Views of Budget to Help Companies Innovate & Go Global

| Very useful	Useful	Neutral	Not useful	Not applicable at all
7.8%	24.7%	57.1%	5.2%	5.2%

n = 77

8   When asked about the Budget measures that will benefit their companies the most, the Enhancement of Corporate Income Tax Rebate and Extension of Special Employment Credit emerged as the most commonly selected option.

Fig 6:

Budget Measures that will Benefit Company the Most
*Respondents can select up to 3 options

| Measure	Percentage
Enhancement of Corporate Income Tax Rebate	23.8%
Extension of Additional Special Employment Credit	17.9%
Increase Accessibility of Training	10.6%
SMEs Go Digital Programme	8.6%
SkillsFuture Leadership Development Initiative	7.9%
Enhanced "Adapt & Grow" Initiative	5.3%
International Partnership Fund	5.3%
Industry Transformation Maps (ITMs)	5.3%
Operation & Technology Road-mapping	4.0%
Global Innovation Alliance	3.3%
Improving Access to IP	2.6%
Enhanced International Finance Scheme	2.0%
Public Sector Construction Productivity Fund	1.3%
Tech Access Initiative	1.3%
Accelerating Infrastructure Projects	0.7%
Regulatory Sandboxes	0.0%

n = 151

9   On whether the companies think that the Industry Transformation Maps will help each of the 23 identified industries to achieve their potential and create good jobs for Singaporeans, most were not sure. Some also did not know about the Industry Transformation Maps.

Views of Industry Transformation Maps to Help Identified Industries Achieve their Potential & Create Good Jobs for Singaporeans
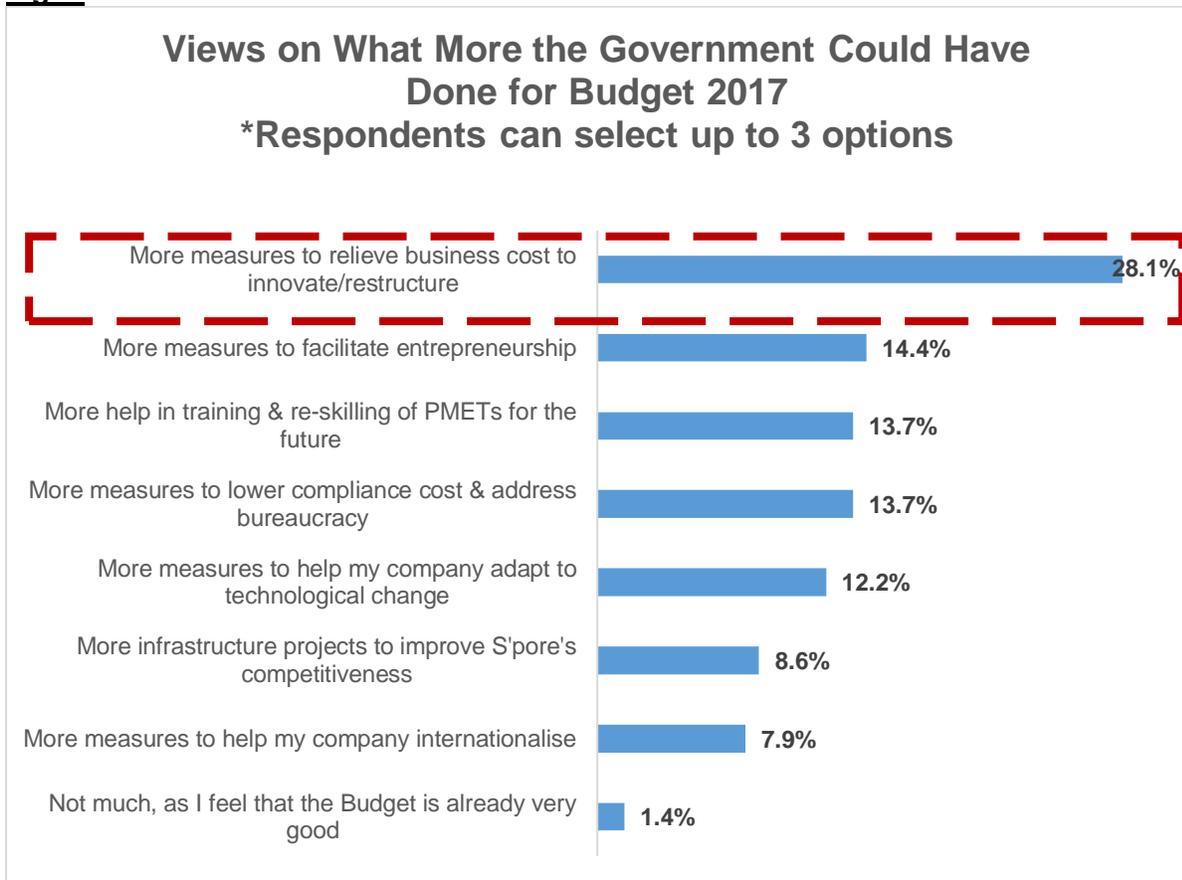

n = 67
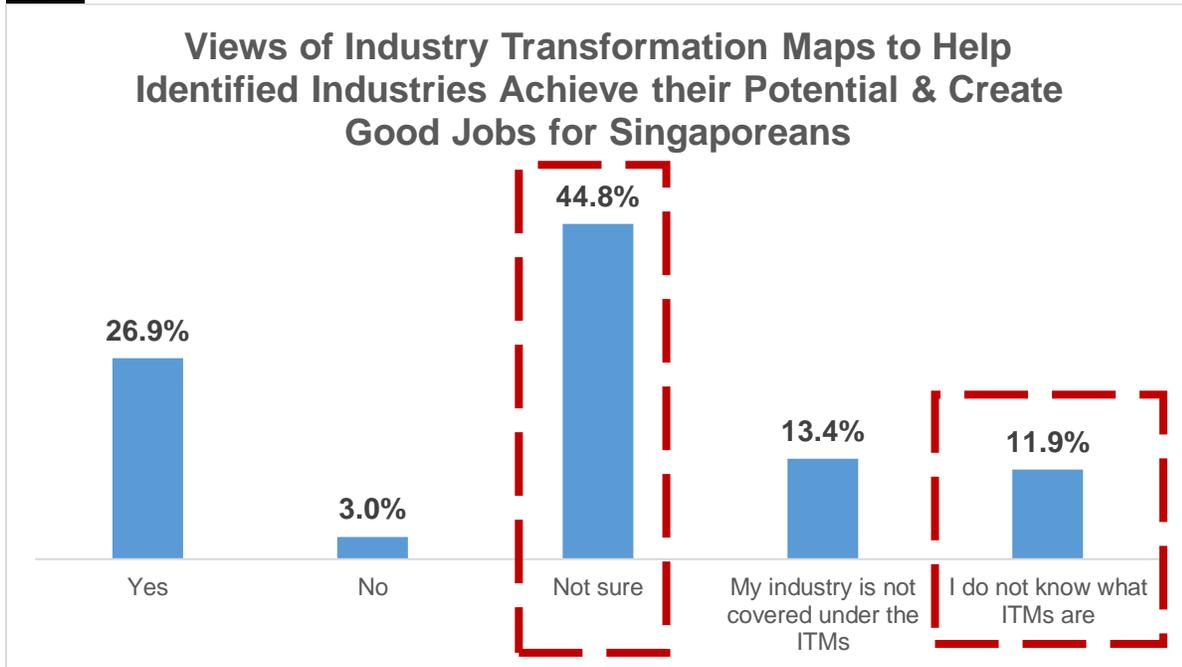
10   Majority of the respondents agreed that the approach to build agility through capabilities and partnerships for the future economy will help yield more positive outcomes than the Government's previous approach.

Fig 8:

Views of Approach to Build Agility through Capabilities and Partnerships for the Future Economy


■ Yes ■ No

n = 66
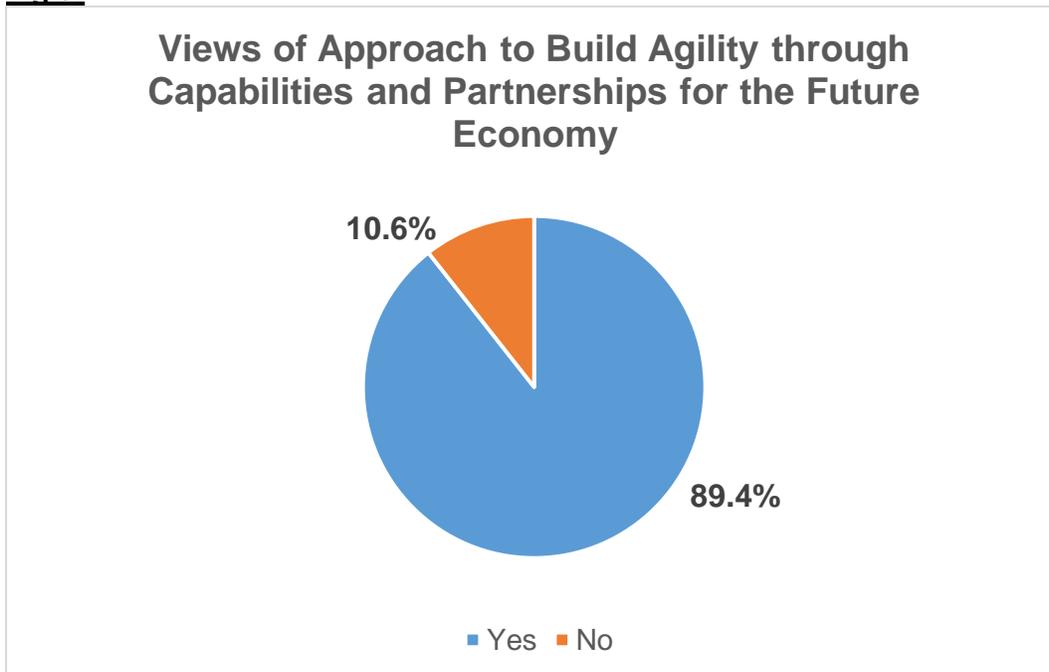
11   When asked what more do the respondents think the government could have done for Budget 2017, majority thought that there could have been more measures to relieve business cost to help companies to innovate / restructure.

Fig 9:

Views on What More the Government Could Have Done for Budget 2017
*Respondents can select up to 3 options

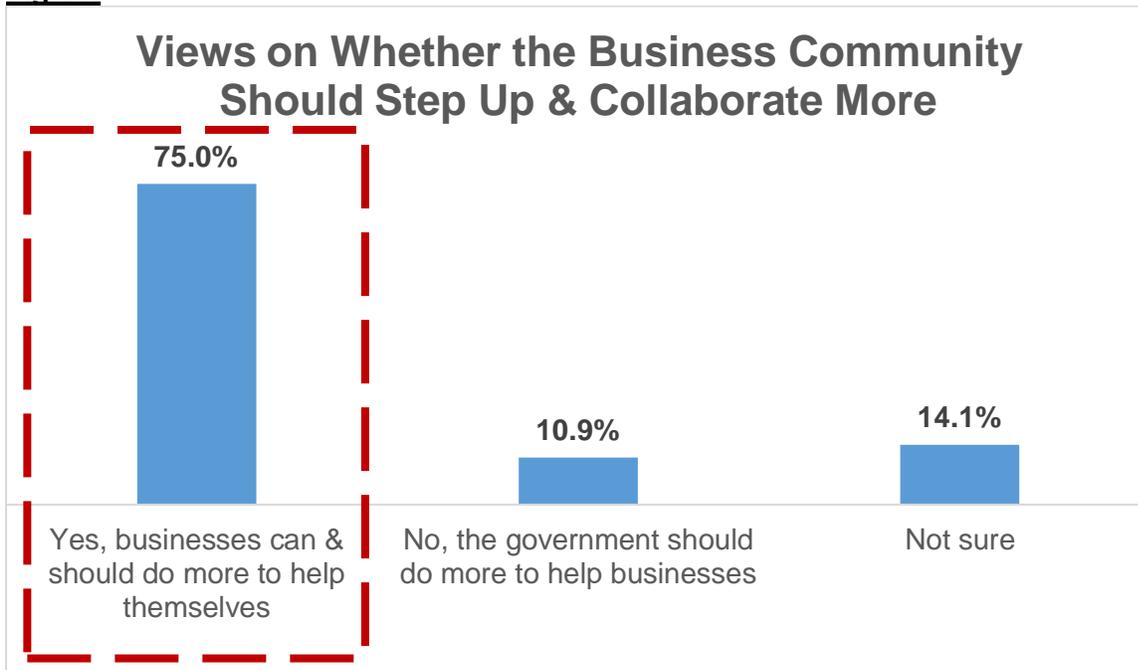| Category	Percentage
More measures to relieve business cost to innovate/restructure	28.1%
More measures to facilitate entrepreneurship	14.4%
More help in training & re-skilling of PMETs for the future	13.7%
More measures to lower compliance cost & address bureaucracy	13.7%
More measures to help my company adapt to technological change	12.2%
More infrastructure projects to improve S'pore's competitiveness	8.6%
More measures to help my company internationalise	7.9%
Not much, as I feel that the Budget is already very good	1.4%

n = 139

12   Most of the businesses were also unsure about the future in spite of the Committee on the Future Economy's recommendations and Budget 2017.

Fig 10:

Views on Whether Business is More Confident of the Future

- Yes: 35.5%
- No: 11.3%
- Unsure: 53.2%

n = 62
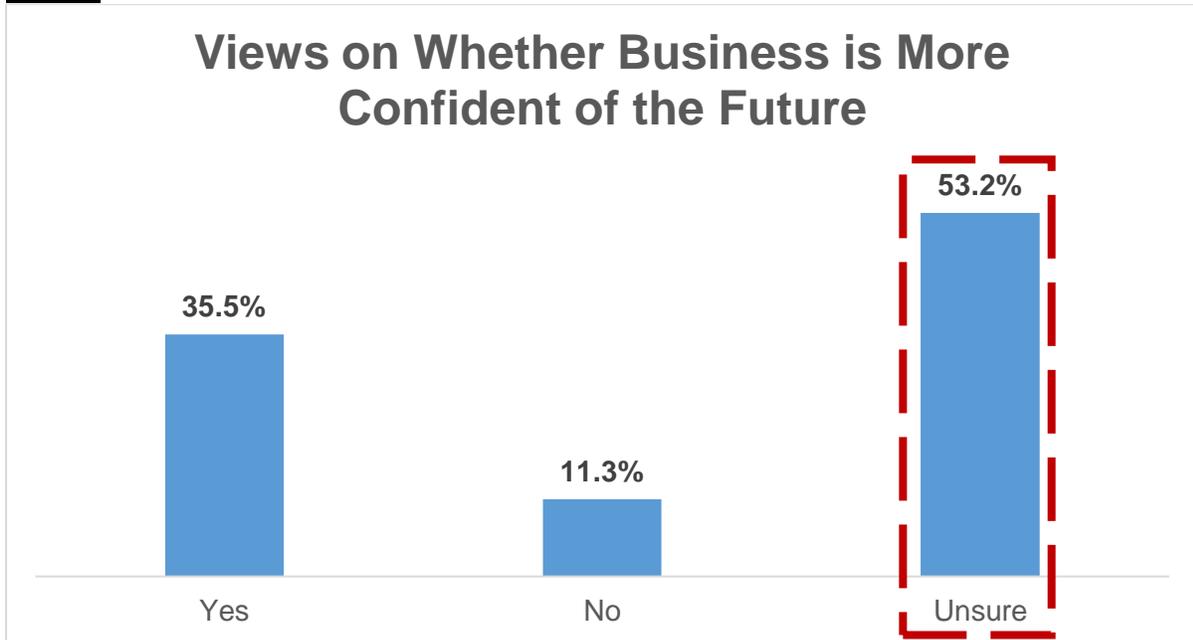
13   Majority agreed that the business community should step up and collaborate more with one another as well as with Trade Associations & Chambers to create a more promising future.

Fig 11:

Views on Whether the Business Community Should Step Up & Collaborate More

- Yes, businesses can & should do more to help themselves: 75.0%
- No, the government should do more to help businesses: 10.9%
- Not sure: 14.1%

n = 64

14   We started to administer this survey on 8 Mar (when we held our "Seminar on Budget 2017") and closed the survey on 21 April. A total of 213 responses were collated. Respondents could select only one option per question unless otherwise stated.

Profile of the Respondents

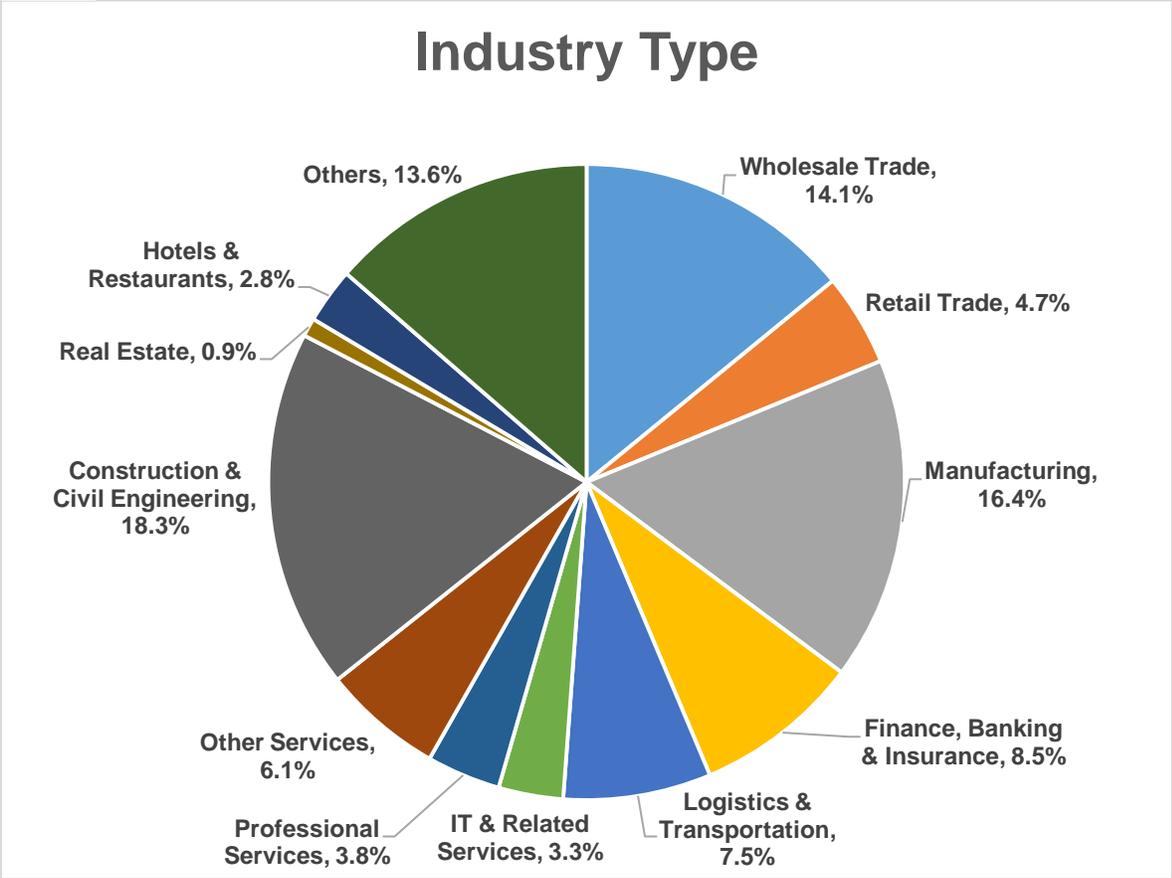15   By company type, 94% of the respondents were SMEs. The rest were large companies.

Fig 12:
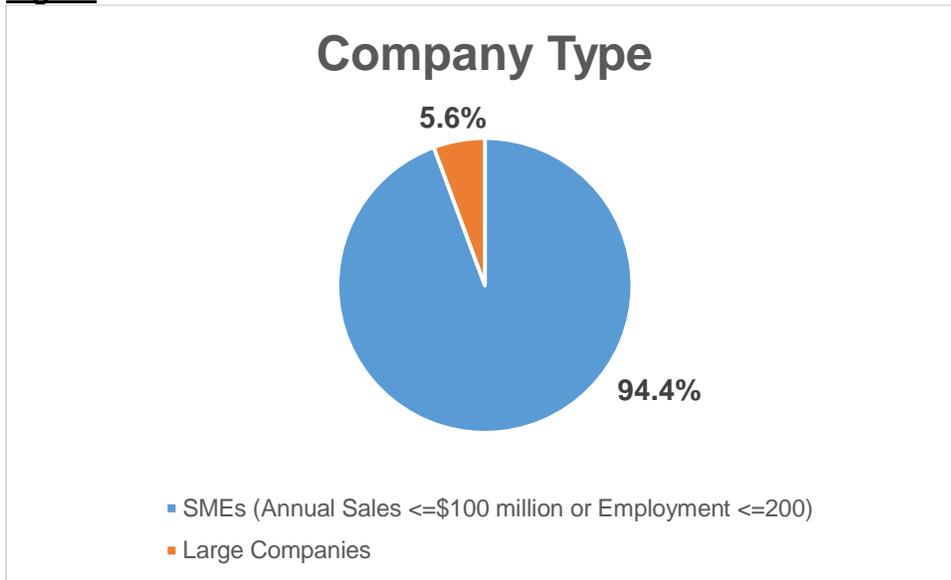
16   The breakdown by industry was as follows. Most of the respondents were from the Construction & Civil Engineering (18.3%), Manufacturing (16.4%) and Wholesale Trade (14.1%) industries.

Fig 13:

Industry Type

Others, 13.6%
Wholesale Trade, 14.1%
Hotels & Restaurants, 2.8%
Retail Trade, 4.7%
Real Estate, 0.9%
Construction & Civil Engineering, 18.3%
Manufacturing, 16.4%
Other Services, 6.1%
Finance, Banking & Insurance, 8.5%
Professional Services, 3.8%
IT & Related Services, 3.3%
Logistics & Transportation, 7.5%

n = 213

Business Outlook

17   Majority of the companies (61.6%) viewed the current economic climate as uncertain. 30.8% were negative in their outlook, while 7.6% had positive sentiments.

Views of the Current Economic Climate

n = 211
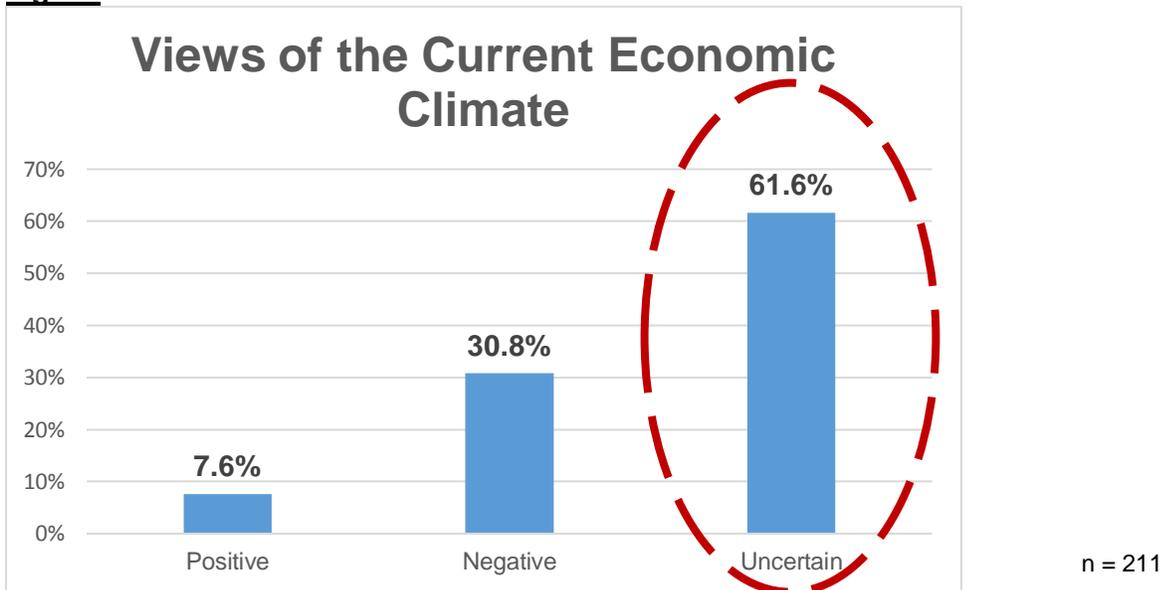
18   In terms of their business outlook for the next 6 months, most of the companies had a neutral view, with a higher percentage of respondents indicating that they were "Not Optimistic" (i.e. 1 or 2) rather than "Optimistic" (i.e. 5 or 6).

Fig 15:

Business Outlook for the Next 6 Months

n = 212
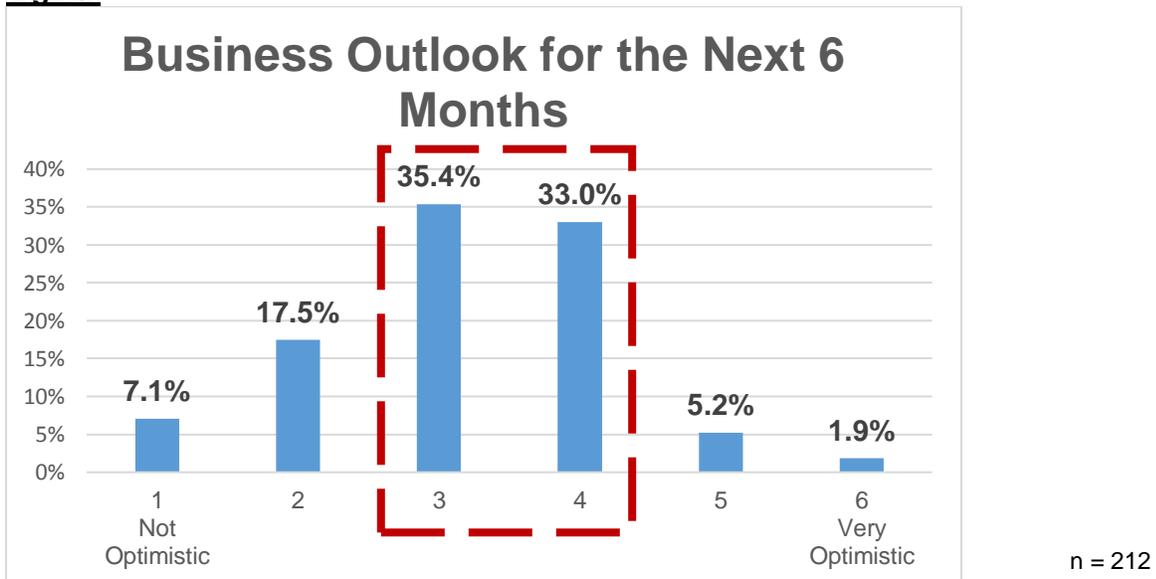
Budget 2017 Measures

19   The new or enhanced Budget measures where a large proportion of companies indicated they were likely to find useful include (i.e., instances where at least 40% of the companies indicated that the measures were likely to be useful, listed in order of highest to lowest percentage):

(a) Extend the Corporate Income Tax rebate for another year to YA2018 capped at $10,000 at 20% of tax payable (81.4%);

(b) Enhance the Corporate Income Tax rebate by raising the cap from $20,000 to $25,000 for YA2017 at 50% of tax payable (79.2%);

(c) Extension of Additional Special Employment Credit till 31 Dec 2019 to provide wage offsets of up to 3% to help older workers stay employed (67.5%);

(d) Increase accessibility of training through short, modular courses and e-learning (63.7%);

(e) SkillsFuture Leadership Development Initiative - Support companies in expanding leadership development programmes (58.1%);

(f) Better Job Matching - Enhance the National Jobs Bank and work with private placement firms to deliver better job matching services to professionals (51.2%);

(g) Help jobseekers with employment by increasing wage and training support for Career Support Programme, Professional Conversion Programme and Work Trial Programme (48.4%); and

(h) Introduce "Attach and Train" initiative with industry partners in growth sectors whereby participants will receive training and work attachments in advance of job placements (45.0%).

20   The responses for each of the new or enhanced Budget 2017 measures are shown in the table below: (Note: The highlighted cells show the responses which exceed 25%.)

Fig 16:

Which of these new or enhanced Budget 2017 measures will likely benefit your company?	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company
Economy and Businesses				
Extension of Additional Special Employment Credit till 31 Dec 2019 to provide wage offsets of up to 3% to help older workers stay employed. (n = 212)	67.5%	19.8%	5.2%	7.5%
International Partnership Fund - Up to $600m in Government capital to co-invest with Singapore based firms to help them scale-up and internationalise. (n = 211)	20.9%	18.0%	21.8%	39.3%
Operation and Technology Road-mapping - A*STAR to support 400 companies over the next four years to help firms identify technology to better innovate and compete. (n = 212)	22.6%	18.4%	27.8%	31.1%
Tech Access Initiative - From Sep 2017, A*STAR will provide access and training to use its advanced	11.3%	17.9%	17.5%	53.3%

Which of these new or enhanced Budget 2017 measures will likely benefit your company?	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company
machine tools for prototyping and testing for small companies that would like to do prototyping. (n = 212)				
Regulatory Sandboxes - Promote innovation by creating space where rules can be suspended to allow greater experimentation, e.g. MAS regulatory sandbox for FinTech and LTA zones for testing of self-driving vehicles. (n = 212)	11.3%	18.9%	17.0%	52.8%
Enhance the Corporate Income Tax rebate by raising the cap from $20,000 to $25,000 for YA2017 at 50% of tax payable. (n = 212)	79.2%	10.8%	5.7%	4.2%
Extend the Corporate Income Tax rebate for another year to YA2018 capped at $10,000 at 20% of tax payable. (n = 210)	81.4%	11.0%	3.8%	3.8%
SMEs to get step-by-step advice on technologies to use at each stage of their growth through sectoral Industry Digital Plans. (n = 211)	28.0%	18.5%	28.0%	25.6%
SMEs to get in-person help at SME Centres for basic ICT advice, and a new SME Technology Hub for specialist advice. (n = 212)	27.4%	17.9%	25.5%	29.2%
SMEs that are ready to pilot emerging ICT solutions can receive advice and funding support, and support for consortiums to adopt impactful and interoperable ICT solutions. (n = 210)	26.7%	15.7%	26.2%	31.4%
Catalyse private cross-border project financing to smaller-based infrastructure developers by co-sharing the default risk of lower quantum non-recourse loans. (n = 211)	19.9%	16.6%	12.8%	50.7%
Catalyse financing for projects undertaken by larger firms in higher-risk developing markets by providing a share of the needed sovereign risk insurance coverage. (n = 211)	15.6%	16.1%	16.1%	52.1%
Headstart Programme that offers SMEs that co-develop intellectual property with A*STAR royalty-free and exclusive licences for 36 months, up from 18 months. (n = 209)	12.0%	18.7%	16.3%	53.1%
Industry Sectors				
Industry Transformation Maps in 23 sectors covering 80% of economy to help them become more	34.3%	12.4%	31.4%	21.9%

Which of these new or enhanced Budget 2017 measures will likely benefit your company?	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company
competitive in productivity, jobs and skills, innovation as well as trade and internationalisation. (n = 210)				
Deferring Foreign Worker Levy increases in the Marine and Process sectors for one more year to help employers in these sectors. (n = 208)	23.1%	12.0%	2.9%	62.0%
Accelerating Infrastructure Projects - Bring forward about $700m of public sector projects to start in FY2017 and FY2018. (n = 206)	33.5%	11.7%	13.1%	41.7%
Public Sector Construction Productivity Fund - Up to $150m to procure innovative and productive construction solutions for public sector projects. (n = 209)	22.5%	14.8%	11.5%	51.2%
Workers and Job Seekers				
SkillsFuture Leadership Development Initiative - Support companies in expanding leadership development programmes. (n = 210)	58.1%	13.3%	20.5%	8.1%
Increase accessibility of training through short, modular courses and e-learning. (n = 212)	63.7%	11.8%	18.4%	6.1%
Better Job Matching - Enhance the National Jobs Bank and work with private placement firms to deliver better job matching services to professionals. (n = 211)	51.2%	18.5%	14.2%	16.1%
Innovators Academy - Enable students to build connections and capabilities through overseas internships. (n = 211)	24.2%	19.4%	13.3%	43.1%
Innovation Launchpads - Create opportunities for entrepreneurs and business owners in Singapore-based companies to connect with mentors, investors and service providers in overseas markets. (n = 211)	31.8%	17.5%	17.1%	33.6%
Welcome Centres - Link up innovative foreign companies with Singapore partners to co-innovate and expand in the region. (n = 210)	28.6%	16.2%	20.5%	34.8%
Help jobseekers with employment by increasing wage and training support for Career Support Programme, Professional Conversion Programme and Work Trial Programme. (n = 213)	48.4%	18.3%	16.9%	16.4%
Introduce "Attach and Train" initiative with industry partners in growth sectors whereby participants will	45.0%	17.1%	17.1%	20.9%

Which of these new or enhanced Budget 2017 measures will likely benefit your company?	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company
receive training and work attachments in advance of job placements. (n = 211)				
Vibrant and Connected City				
Invest in critical infrastructure to deepen global connectivity (e.g., Changi Airport Terminal 5 and Tuas Terminal). (n = 210)	32.9%	18.6%	9.0%	39.5%
Invest in shared infrastructure for economic clusters to allow industry players to network, pool resources and share knowledge. (n = 211)	35.5%	15.2%	21.3%	28.0%
Environment				
Vehicular Emissions Scheme - Extend Carbon Emissions-based Vehicle Scheme (CEVS) until 31 Dec 2017 and replace it with new Vehicular Emissions Scheme starting from 1 Jan 2018 for two years. (n = 212)	13.7%	19.8%	11.8%	54.7%
Early Turnover Scheme - Extend scheme for Euro II and III commercial diesel vehicles that turn over to Euro IV vehicles until 31 Jul 2019 and enhance COE bonus period for Light Goods Vehicles. (n = 212)	21.2%	17.5%	8.0%	53.3%
Water Price Changes - Increase price of water by 30% in two phases by 1 Jul 2018 and impose a 10% Water Conservation Tax on NEWater tariff. (n = 212)	13.7%	50.0%	6.1%	30.2%
Carbon Tax - To be implemented from 2019 with the price level and exact implementation schedule decided after consultations. (n = 211)	7.1%	34.6%	16.1%	42.2%
Restructuring of diesel taxes to reduce diesel consumption by shifting towards usage based taxes. (n = 209)	13.4%	34.4%	8.6%	43.5%

[Legend: ▢ *refers to responses >25%]*

Further Analysis by Industry

21   A large majority of the respondents (67.5%) indicated that the extension of Additional Special Employment Credit till 31 Dec 2019 to provide wage offsets of up to 3% to help older workers stay employed is likely to be useful. When comparing among industries, the bulk of the respondents with this view were from the "Construction & Civil Engineering", "Manufacturing" and "Wholesale Trade" sectors. An above average percentage of the respondents (more than 67.5%) within the "Logistics & Transportation", "Manufacturing", "Retail Trade", "Wholesale Trade", and "Others" sectors indicated that this measure is likely to be useful.

Fig 17a:

Extension of Additional Special Employment Credit till 31 Dec 2019 to provide wage offsets of up to 3% to help older workers stay employed. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	12.3%	4.7%	0.5%	0.9%	18.4%
Finance, Banking & Insurance	4.7%	0.9%	0.5%	2.4%	8.5%
Hotels & Restaurants	1.9%	0.5%	0.5%	0.0%	2.8%
IT & Related Services	0.9%	0.9%	0.9%	0.5%	3.3%
Logistics & Transportation	6.1%	0.5%	0.5%	0.5%	7.5%
Manufacturing	11.8%	2.8%	0.9%	0.9%	16.5%
Other Services	3.8%	1.4%	0.5%	0.5%	6.1%
Others	9.4%	2.4%	0.5%	1.4%	13.7%
Professional Services	1.4%	1.4%	0.5%	0.0%	3.3%
Real Estate	0.5%	0.5%	0.0%	0.0%	0.9%
Retail Trade	3.8%	0.9%	0.0%	0.0%	4.7%
Wholesale Trade	10.8%	2.8%	0.0%	0.5%	14.2%
Grand Total	**67.5%**	**19.8%**	**5.2%**	**7.5%**	**100.0%**

Fig 17b:

Extension of Additional Special Employment Credit till 31 Dec 2019 to provide wage offsets of up to 3% to help older workers stay employed. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	66.7%	25.6%	2.6%	5.1%	100.0%
Finance, Banking & Insurance	55.6%	11.1%	5.6%	27.8%	100.0%
Hotels & Restaurants	66.7%	16.7%	16.7%	0.0%	100.0%
IT & Related Services	28.6%	28.6%	28.6%	14.3%	100.0%
Logistics & Transportation	81.3%	6.3%	6.3%	6.3%	100.0%
Manufacturing	71.4%	17.1%	5.7%	5.7%	100.0%
Other Services	61.5%	23.1%	7.7%	7.7%	100.0%
Others	69.0%	17.2%	3.4%	10.3%	100.0%
Professional Services	42.9%	42.9%	14.3%	0.0%	100.0%
Real Estate	50.0%	50.0%	0.0%	0.0%	100.0%
Retail Trade	80.0%	20.0%	0.0%	0.0%	100.0%
Wholesale Trade	76.7%	20.0%	0.0%	3.3%	100.0%
Overall Average	**67.5%**	**19.8%**	**5.2%**	**7.5%**	**100.0%**

22   A large majority of the respondents (79.2%) indicated that the enhancement to the Corporate Income Tax rebate by raising the cap from $20,000 to $25,000 for YA2017 at 50% of tax payable is likely to be useful. The bulk of the respondents with this view were from the

"Construction & Civil Engineering", "Manufacturing", "Others" and "Wholesale Trade" sectors. An above average percentage of the respondents (more than 79.2%) within the "Construction & Civil Engineering", "Hotels & Restaurants", "Logistics & Transportation", "Professional Services", "Retail Trade", "Wholesale Trade" and "Others" sectors indicated that this measure is likely to be useful.

Fig 18a:

Enhance the Corporate Income Tax rebate by raising the cap from $20,000 to $25,000 for YA2017 at 50% of tax payable. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	14.6%	2.4%	0.9%	0.5%	18.4%
Finance, Banking & Insurance	5.7%	1.9%	0.9%	0.0%	8.5%
Hotels & Restaurants	2.8%	0.0%	0.0%	0.0%	2.8%
IT & Related Services	1.9%	0.9%	0.5%	0.0%	3.3%
Logistics & Transportation	6.1%	0.9%	0.0%	0.5%	7.5%
Manufacturing	12.7%	2.4%	0.5%	0.9%	16.5%
Other Services	3.3%	0.9%	1.4%	0.5%	6.1%
Others	12.3%	0.5%	0.5%	0.5%	13.7%
Professional Services	2.8%	0.0%	0.5%	0.0%	3.3%
Real Estate	0.5%	0.5%	0.0%	0.0%	0.9%
Retail Trade	4.2%	0.0%	0.5%	0.0%	4.7%
Wholesale Trade	12.3%	0.5%	0.0%	1.4%	14.2%
Grand Total	**79.2%**	**10.8%**	**5.7%**	**4.2%**	**100.0%**

Fig 18b:

Enhance the Corporate Income Tax rebate by raising the cap from $20,000 to $25,000 for YA2017 at 50% of tax payable. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	79.5%	12.8%	5.1%	2.6%	100.0%
Finance, Banking & Insurance	66.7%	22.2%	11.1%	0.0%	100.0%
Hotels & Restaurants	100.0%	0.0%	0.0%	0.0%	100.0%
IT & Related Services	57.1%	28.6%	14.3%	0.0%	100.0%
Logistics & Transportation	81.3%	12.5%	0.0%	6.3%	100.0%
Manufacturing	77.1%	14.3%	2.9%	5.7%	100.0%
Other Services	53.8%	15.4%	23.1%	7.7%	100.0%
Others	89.7%	3.4%	3.4%	3.4%	100.0%
Professional Services	85.7%	0.0%	14.3%	0.0%	100.0%
Real Estate	50.0%	50.0%	0.0%	0.0%	100.0%
Retail Trade	90.0%	0.0%	10.0%	0.0%	100.0%
Wholesale Trade	86.7%	3.3%	0.0%	10.0%	100.0%
Overall Average	**79.2%**	**10.8%**	**5.7%**	**4.2%**	**100.0%**

23   A large majority of the respondents (81.4%) similarly indicated that the extension of the Corporate Income Tax rebate for another year to YA2018 capped at $10,000 at 20% of tax payable measure is likely to be useful. The bulk of the respondents with this view were from the same sectors as the previous measure on the Corporate Income Tax enhancement – i.e., the "Construction & Civil Engineering", "Manufacturing", "Wholesale Trade" and "Others" sectors. An above average percentage of the respondents (more than 81.4%) within the "Hotels & Restaurants", "Manufacturing", "Professional Services", "Wholesale Trade" and "Others" sectors indicated that this measure is likely to be useful.

Fig 19a:

Extend the Corporate Income Tax rebate for another year to YA2018 capped at $10,000 at 20% of tax payable. (n = 210)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	14.8%	1.9%	1.0%	1.0%	18.6%
Finance, Banking & Insurance	6.2%	1.4%	1.0%	0.0%	8.6%
Hotels & Restaurants	2.9%	0.0%	0.0%	0.0%	2.9%
IT & Related Services	2.4%	0.5%	0.5%	0.0%	3.3%
Logistics & Transportation	6.2%	1.0%	0.0%	0.5%	7.6%
Manufacturing	13.8%	2.4%	0.0%	0.5%	16.7%
Other Services	3.3%	1.9%	0.5%	0.5%	6.2%
Others	12.4%	0.5%	0.5%	0.0%	13.3%
Professional Services	2.9%	0.0%	0.0%	0.5%	3.3%
Real Estate	0.5%	0.5%	0.0%	0.0%	1.0%
Retail Trade	3.8%	0.5%	0.5%	0.0%	4.8%
Wholesale Trade	12.4%	0.5%	0.0%	1.0%	13.8%
Grand Total	**81.4%**	**11.0%**	**3.8%**	**3.8%**	**100.0%**

Fig 19b:

Extend the Corporate Income Tax rebate for another year to YA2018 capped at $10,000 at 20% of tax payable. (n = 210)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	79.5%	10.3%	5.1%	5.1%	100.0%
Finance, Banking & Insurance	72.2%	16.7%	11.1%	0.0%	100.0%
Hotels & Restaurants	100.0%	0.0%	0.0%	0.0%	100.0%
IT & Related Services	71.4%	14.3%	14.3%	0.0%	100.0%
Logistics & Transportation	81.3%	12.5%	0.0%	6.3%	100.0%
Manufacturing	82.9%	14.3%	0.0%	2.9%	100.0%
Other Services	53.8%	30.8%	7.7%	7.7%	100.0%
Others	92.9%	3.6%	3.6%	0.0%	100.0%
Professional Services	85.7%	0.0%	0.0%	14.3%	100.0%
Real Estate	50.0%	50.0%	0.0%	0.0%	100.0%
Retail Trade	80.0%	10.0%	10.0%	0.0%	100.0%

Wholesale Trade	89.7%	3.4%	0.0%	6.9%	100.0%
Overall Average	**81.4%**	**11.0%**	**3.8%**	**3.8%**	**100.0%**

24   A large majority of the respondents (62.0%) had indicated that the measure to defer foreign worker levy increase in the Marine and Process sectors for one more year is not applicable to them. This is a targeted scheme that applies to the marine and process related sectors.

Fig 20a:

Deferring Foreign Worker Levy (FWL) increases in the Marine and Process sectors for one more year to help employers in these sectors. (n = 208)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	7.7%	0.5%	0.0%	10.6%	18.8%
Finance, Banking & Insurance	0.5%	1.0%	0.5%	6.7%	8.7%
Hotels & Restaurants	0.0%	0.5%	0.0%	2.4%	2.9%
IT & Related Services	0.5%	0.5%	0.0%	2.4%	3.4%
Logistics & Transportation	3.8%	0.5%	0.0%	2.9%	7.2%
Manufacturing	3.4%	1.4%	1.0%	10.6%	16.3%
Other Services	1.0%	0.5%	0.5%	4.3%	6.3%
Others	2.9%	3.4%	0.5%	6.7%	13.5%
Professional Services	0.0%	1.0%	0.0%	2.9%	3.8%
Real Estate	0.0%	0.5%	0.0%	0.5%	1.0%
Retail Trade	1.9%	0.5%	0.0%	2.4%	4.8%
Wholesale Trade	1.4%	1.9%	0.5%	9.6%	13.5%
Grand Total	**23.1%**	**12.0%**	**2.9%**	**62.0%**	**100.0%**

Fig 20b:

Deferring Foreign Worker Levy (FWL) increases in the Marine and Process sectors for one more year to help employers in these sectors. (n = 208)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	41.0%	2.6%	0.0%	56.4%	100.0%
Finance, Banking & Insurance	5.6%	11.1%	5.6%	77.8%	100.0%
Hotels & Restaurants	0.0%	16.7%	0.0%	83.3%	100.0%
IT & Related Services	14.3%	14.3%	0.0%	71.4%	100.0%
Logistics & Transportation	53.3%	6.7%	0.0%	40.0%	100.0%
Manufacturing	20.6%	8.8%	5.9%	64.7%	100.0%
Other Services	15.4%	7.7%	7.7%	69.2%	100.0%
Others	21.4%	25.0%	3.6%	50.0%	100.0%
Professional Services	0.0%	25.0%	0.0%	75.0%	100.0%
Real Estate	0.0%	50.0%	0.0%	50.0%	100.0%
Retail Trade	40.0%	10.0%	0.0%	50.0%	100.0%

Wholesale Trade	10.7%	14.3%	3.6%	71.4%	100.0%
Overall Average	**23.1%**	**12.0%**	**2.9%**	**62.0%**	**100.0%**

25   A large majority of the respondents (63.7%) had indicated that the measure to increase accessibility of training through short, modular courses and e-learning is likely to be useful. The bulk of the respondents with this view were from the "Construction & Civil Engineering", "Manufacturing", Wholesale Trade" and "Others" sectors. An above average percentage of the respondents (more than 63.7%) within the "Finance, Banking & Insurance", "Hotels & Restaurants", "IT & Related Services", "Retail Trade" and "Others" sectors indicated that this measure is likely to be useful.

Fig 21a:

Increase accessibility of training through short, modular courses and e-learning. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	10.8%	2.4%	3.8%	0.9%	17.9%
Finance, Banking & Insurance	5.7%	0.5%	1.9%	0.5%	8.5%
Hotels & Restaurants	2.4%	0.5%	0.0%	0.0%	2.8%
IT & Related Services	2.4%	0.0%	0.5%	0.5%	3.3%
Logistics & Transportation	4.2%	0.0%	2.8%	0.5%	7.5%
Manufacturing	9.0%	1.9%	4.7%	0.9%	16.5%
Other Services	3.8%	1.4%	0.5%	0.5%	6.1%
Others	10.8%	1.4%	0.9%	0.5%	13.7%
Professional Services	1.9%	1.4%	0.5%	0.0%	3.8%
Real Estate	0.5%	0.0%	0.5%	0.0%	0.9%
Retail Trade	3.3%	0.5%	0.5%	0.5%	4.7%
Wholesale Trade	9.0%	1.9%	1.9%	1.4%	14.2%
Grand Total	**63.7%**	**11.8%**	**18.4%**	**6.1%**	**100.0%**

Fig 21b:

Increase accessibility of training through short, modular courses and e-learning. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	60.5%	13.2%	21.1%	5.3%	100.0%
Finance, Banking & Insurance	66.7%	5.6%	22.2%	5.6%	100.0%
Hotels & Restaurants	83.3%	16.7%	0.0%	0.0%	100.0%
IT & Related Services	71.4%	0.0%	14.3%	14.3%	100.0%
Logistics & Transportation	56.3%	0.0%	37.5%	6.3%	100.0%
Manufacturing	54.3%	11.4%	28.6%	5.7%	100.0%
Other Services	61.5%	23.1%	7.7%	7.7%	100.0%
Others	79.3%	10.3%	6.9%	3.4%	100.0%
Professional Services	50.0%	37.5%	12.5%	0.0%	100.0%
Real Estate	50.0%	0.0%	50.0%	0.0%	100.0%
Retail Trade	70.0%	10.0%	10.0%	10.0%	100.0%

Wholesale Trade	63.3%	13.3%	13.3%	10.0%	100.0%
Overall Average	**63.7%**	**11.8%**	**18.4%**	**6.1%**	**100.0%**

26   There was a sizeable proportion of respondents (50.0%) who indicated that the water price changes measure is not likely to be useful. The bulk of these respondents were from the "Construction & Civil Engineering", "Manufacturing" and "Wholesale Trade" sectors. An above average percentage of the respondents (more than 50.0%) within the "Construction & Civil Engineering", "Logistics & Transportation", "Manufacturing", "Other Services" and "Retail Trade" sectors indicated that this measure is not likely to be useful.

Fig 22a:

Water Price Changes - Increase price of water by 30% in two phases by 1 Jul 2018 and impose a 10% Water Conservation Tax on NEWater tariff. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	2.8%	9.9%	1.9%	3.3%	17.9%
Finance, Banking & Insurance	0.9%	3.3%	0.0%	4.2%	8.5%
Hotels & Restaurants	1.4%	0.9%	0.5%	0.0%	2.8%
IT & Related Services	0.5%	1.4%	0.5%	0.9%	3.3%
Logistics & Transportation	0.9%	4.7%	0.0%	1.9%	7.5%
Manufacturing	2.4%	9.0%	0.9%	4.2%	16.5%
Other Services	0.9%	3.8%	0.5%	0.9%	6.1%
Others	2.4%	4.7%	0.5%	6.1%	13.7%
Professional Services	0.0%	1.9%	0.0%	1.9%	3.8%
Real Estate	0.0%	0.0%	0.5%	0.5%	0.9%
Retail Trade	0.5%	3.8%	0.0%	0.5%	4.7%
Wholesale Trade	0.9%	6.6%	0.9%	5.7%	14.2%
Grand Total	**13.7%**	**50.0%**	**6.1%**	**30.2%**	**100.0%**

Fig 22b:

Water Price Changes - Increase price of water by 30% in two phases by 1 Jul 2018 and impose a 10% Water Conservation Tax on NEWater tariff. (n = 212)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	15.8%	55.3%	10.5%	18.4%	100.0%
Finance, Banking & Insurance	11.1%	38.9%	0.0%	50.0%	100.0%
Hotels & Restaurants	50.0%	33.3%	16.7%	0.0%	100.0%
IT & Related Services	14.3%	42.9%	14.3%	28.6%	100.0%
Logistics & Transportation	12.5%	62.5%	0.0%	25.0%	100.0%
Manufacturing	14.3%	54.3%	5.7%	25.7%	100.0%
Other Services	15.4%	61.5%	7.7%	15.4%	100.0%

Others	17.2%	34.5%	3.4%	44.8%	100.0%
Professional Services	0.0%	50.0%	0.0%	50.0%	100.0%
Real Estate	0.0%	0.0%	50.0%	50.0%	100.0%
Retail Trade	10.0%	80.0%	0.0%	10.0%	100.0%
Wholesale Trade	6.7%	46.7%	6.7%	40.0%	100.0%
Overall Average	**13.7%**	**50.0%**	**6.1%**	**30.2%**	**100.0%**

27   There was a sizeable proportion of respondents (34.6%) who indicated that the carbon tax measure is not likely to be useful. The bulk of the respondents with this view were from the "Construction & Civil Engineering", "Manufacturing" and "Wholesale Trade" sectors. An above average percentage of the respondents (more than 34.6%) within the "Construction & Civil Engineering", "Manufacturing", "Other Services", "Retail Trade" and "Wholesale Trade" sectors indicated that this measure is not likely to be useful.

Fig 23a:

Carbon Tax - To be implemented from 2019 with the price level and exact implementation schedule decided after consultations. (n = 211)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	2.4%	7.6%	2.8%	5.7%	18.5%
Finance, Banking & Insurance	0.5%	2.4%	0.5%	5.2%	8.5%
Hotels & Restaurants	0.0%	0.9%	0.5%	1.4%	2.8%
IT & Related Services	0.5%	0.9%	0.9%	0.9%	3.3%
Logistics & Transportation	0.0%	1.4%	2.8%	2.8%	7.1%
Manufacturing	0.5%	6.2%	3.8%	6.2%	16.6%
Other Services	0.0%	2.4%	1.4%	2.4%	6.2%
Others	1.4%	3.3%	1.4%	7.1%	13.3%
Professional Services	0.9%	0.9%	0.0%	1.9%	3.8%
Real Estate	0.0%	0.0%	0.0%	0.9%	0.9%
Retail Trade	0.0%	3.3%	0.5%	0.9%	4.7%
Wholesale Trade	0.9%	5.2%	1.4%	6.6%	14.2%
Grand Total	**7.1%**	**34.6%**	**16.1%**	**42.2%**	**100.0%**

Fig 23b:

Carbon Tax - To be implemented from 2019 with the price level and exact implementation schedule decided after consultations. (n = 211)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	12.8%	41.0%	15.4%	30.8%	100.0%
Finance, Banking & Insurance	5.6%	27.8%	5.6%	61.1%	100.0%
Hotels & Restaurants	0.0%	33.3%	16.7%	50.0%	100.0%
IT & Related Services	14.3%	28.6%	28.6%	28.6%	100.0%

	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Logistics & Transportation	0.0%	20.0%	40.0%	40.0%	100.0%
Manufacturing	2.9%	37.1%	22.9%	37.1%	100.0%
Other Services	0.0%	38.5%	23.1%	38.5%	100.0%
Others	10.7%	25.0%	10.7%	53.6%	100.0%
Professional Services	25.0%	25.0%	0.0%	50.0%	100.0%
Real Estate	0.0%	0.0%	0.0%	100.0%	100.0%
Retail Trade	0.0%	70.0%	10.0%	20.0%	100.0%
Wholesale Trade	6.7%	36.7%	10.0%	46.7%	100.0%
Overall Average	**7.1%**	**34.6%**	**16.1%**	**42.2%**	**100.0%**

28   There was a sizeable proportion of the respondents (34.4%) who indicated that the measure to restructure diesel taxes to reduce diesel consumption by shifting towards usage based taxes is not likely to be useful. The bulk of the respondents with this view were from the "Construction & Civil Engineering" and "Wholesale Trade" sectors. An above average percentage of the respondents (more than 34.4%) within the "Construction & Civil Engineering", "Professional Services", "Retail Trade", "Wholesale Trade" and "Others" sectors had indicated that this measure is not likely to be useful.

Fig 24a:

Restructuring of diesel taxes to reduce diesel consumption by shifting towards usage based taxes. (n = 209)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	4.3%	7.7%	1.9%	4.3%	18.2%
Finance, Banking & Insurance	0.5%	1.9%	0.5%	5.7%	8.6%
Hotels & Restaurants	0.0%	0.5%	0.0%	2.4%	2.9%
IT & Related Services	0.5%	1.0%	0.0%	1.9%	3.3%
Logistics & Transportation	1.4%	2.4%	1.0%	2.9%	7.7%
Manufacturing	1.4%	4.3%	2.9%	8.1%	16.7%
Other Services	0.5%	1.4%	1.0%	3.3%	6.2%
Others	1.9%	4.8%	0.5%	6.2%	13.4%
Professional Services	0.5%	1.4%	0.0%	1.9%	3.8%
Real Estate	0.0%	0.0%	0.0%	1.0%	1.0%
Retail Trade	1.0%	2.9%	0.0%	1.0%	4.8%
Wholesale Trade	1.4%	6.2%	1.0%	4.8%	13.4%
Grand Total	**13.4%**	**34.4%**	**8.6%**	**43.5%**	**100.0%**

Fig 24b:

Restructuring of diesel taxes to reduce diesel consumption by shifting towards usage based taxes. (n = 209)	Likely Useful	Likely NOT Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	23.7%	42.1%	10.5%	23.7%	100.0%
Finance, Banking & Insurance	5.6%	22.2%	5.6%	66.7%	100.0%

Hotels & Restaurants	0.0%	16.7%	0.0%	83.3%	100.0%
IT & Related Services	14.3%	28.6%	0.0%	57.1%	100.0%
Logistics & Transportation	18.8%	31.3%	12.5%	37.5%	100.0%
Manufacturing	8.6%	25.7%	17.1%	48.6%	100.0%
Other Services	7.7%	23.1%	15.4%	53.8%	100.0%
Others	14.3%	35.7%	3.6%	46.4%	100.0%
Professional Services	12.5%	37.5%	0.0%	50.0%	100.0%
Real Estate	0.0%	0.0%	0.0%	100.0%	100.0%
Retail Trade	20.0%	60.0%	0.0%	20.0%	100.0%
Wholesale Trade	10.7%	46.4%	7.1%	35.7%	100.0%
Overall Average	**13.4%**	**34.4%**	**8.6%**	**43.5%**	**100.0%**

29   There was a sizeable proportion of the respondents (31.4%) who indicated that more details are needed regarding the Industry Transformation Maps. The bulk of the respondents with this view were from the "Construction & Civil Engineering" and "Manufacturing" sectors. An above average percentage of the respondents (more than 31.4%) within the "Construction & Civil Engineering", "Finance, Banking & Insurance", "Manufacturing", "Professional Services" and "Real Estate" sectors indicated that they needed more details on the Industry Transformation Maps.

Fig 25a:

| Industry Transformation Maps in 23 sectors covering 80% of economy to help them become more competitive in productivity, jobs and skills, innovation as well as trade and internationalisation. (n = 210)	Likely NOT Useful	Likely Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	1.4%	7.1%	6.2%	3.8%	18.6%
Finance, Banking & Insurance	1.0%	2.4%	3.3%	1.9%	8.6%
Hotels & Restaurants	0.5%	1.0%	0.5%	1.0%	2.9%
IT & Related Services	0.5%	1.4%	1.0%	0.5%	3.3%
Logistics & Transportation	0.5%	4.3%	1.4%	1.0%	7.1%
Manufacturing	2.4%	3.8%	8.1%	1.9%	16.2%
Other Services	1.4%	2.9%	1.0%	1.0%	6.2%
Others	1.0%	5.2%	3.8%	3.8%	13.8%
Professional Services	0.5%	1.4%	1.9%	0.0%	3.8%
Real Estate	0.5%	0.0%	0.5%	0.0%	1.0%
Retail Trade	1.0%	1.4%	1.0%	1.4%	4.8%
Wholesale Trade	1.9%	3.3%	2.9%	5.7%	13.8%
Grand Total	**12.4%**	**34.3%**	**31.4%**	**21.9%**	**100.0%**

Fig 25b:

Industry Transformation Maps in 23 sectors covering 80% of economy to help them become more competitive in productivity, jobs and skills, innovation as well as trade and internationalisation. (n = 210)	Likely NOT Useful	Likely Useful	More details needed	Not Applicable to my company	Grand Total
Construction & Civil Engineering	7.7%	38.5%	33.3%	20.5%	100.0%
Finance, Banking & Insurance	11.1%	27.8%	38.9%	22.2%	100.0%
Hotels & Restaurants	16.7%	33.3%	16.7%	33.3%	100.0%
IT & Related Services	14.3%	42.9%	28.6%	14.3%	100.0%
Logistics & Transportation	6.7%	60.0%	20.0%	13.3%	100.0%
Manufacturing	14.7%	23.5%	50.0%	11.8%	100.0%
Other Services	23.1%	46.2%	15.4%	15.4%	100.0%
Others	6.9%	37.9%	27.6%	27.6%	100.0%
Professional Services	12.5%	37.5%	50.0%	0.0%	100.0%
Real Estate	50.0%	0.0%	50.0%	0.0%	100.0%
Retail Trade	20.0%	30.0%	20.0%	30.0%	100.0%
Wholesale Trade	13.8%	24.1%	20.7%	41.4%	100.0%
Grand Total	**12.4%**	**34.3%**	**31.4%**	**21.9%**	**100.0%**

Measures to Provide Relief as Company Innovates or Restructures

30   About 42% of the companies found the measures (i.e., enhanced Corporate Income Tax Rebate, extension of Additional Special Employment Credit and Foreign Worker Levy increases deferment in specific sectors) put forth to provide some relief as companies innovate or restructure to meet economic challenges useful or very useful.

Measures Providing Relief as Company Innovates or Restructures
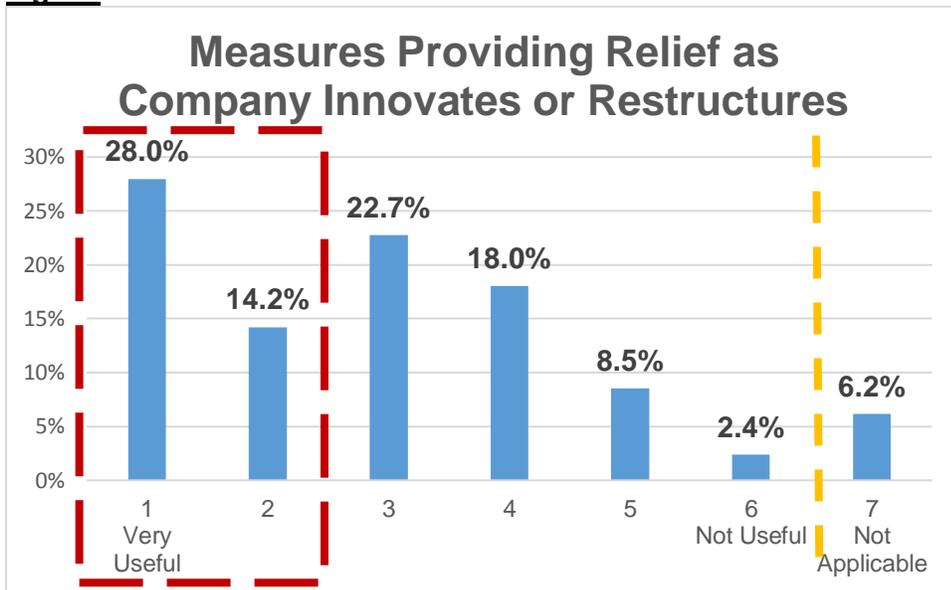
n = 211

Measures to Help Companies Internationalise and Scale Up Globally

31   About 14.7% of the companies found the measures (i.e., International Partnership Fund and Enhanced International Finance Scheme) put forth to help companies internationalise and scale up globally useful or very useful. There was a sizeable proportion of respondents (about 35%) who indicated that these measures were not applicable to them. This could signify that more needs to be done to communicate the benefits of these schemes.

Fig 27:

Measures to Help Companies Internationalise & Scale Up Globally
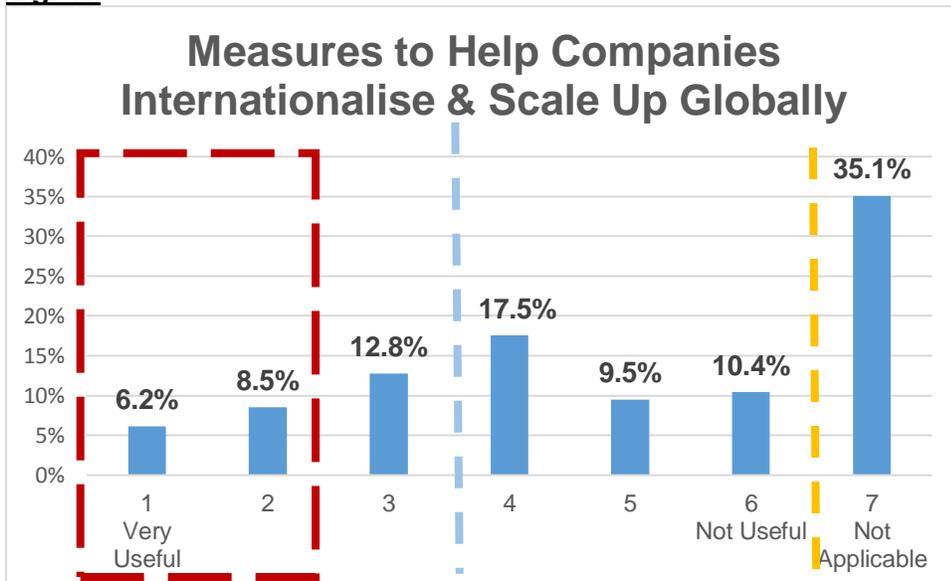
n = 211

Industry Transformation Maps

32   Companies generally felt that the Industry Transformation Maps were useful in ways such as helping their industries to move to higher value-added activities and raise operational efficiency (31.9%) and helping to equip the workforce in their industries with deep skills to support the shift to greater value creation (26.5%). However, there was also a sizeable proportion of respondents (45.1%) who indicated that the Industry Transformation Maps were not applicable to their industries. The intent is for the Industry Transformation Maps to cover over 80% of our GDP. The Government, in collaboration with Trade Associations & Chambers, could do more to publicise the details of the Industry Transformation Maps and their benefits to the business community.
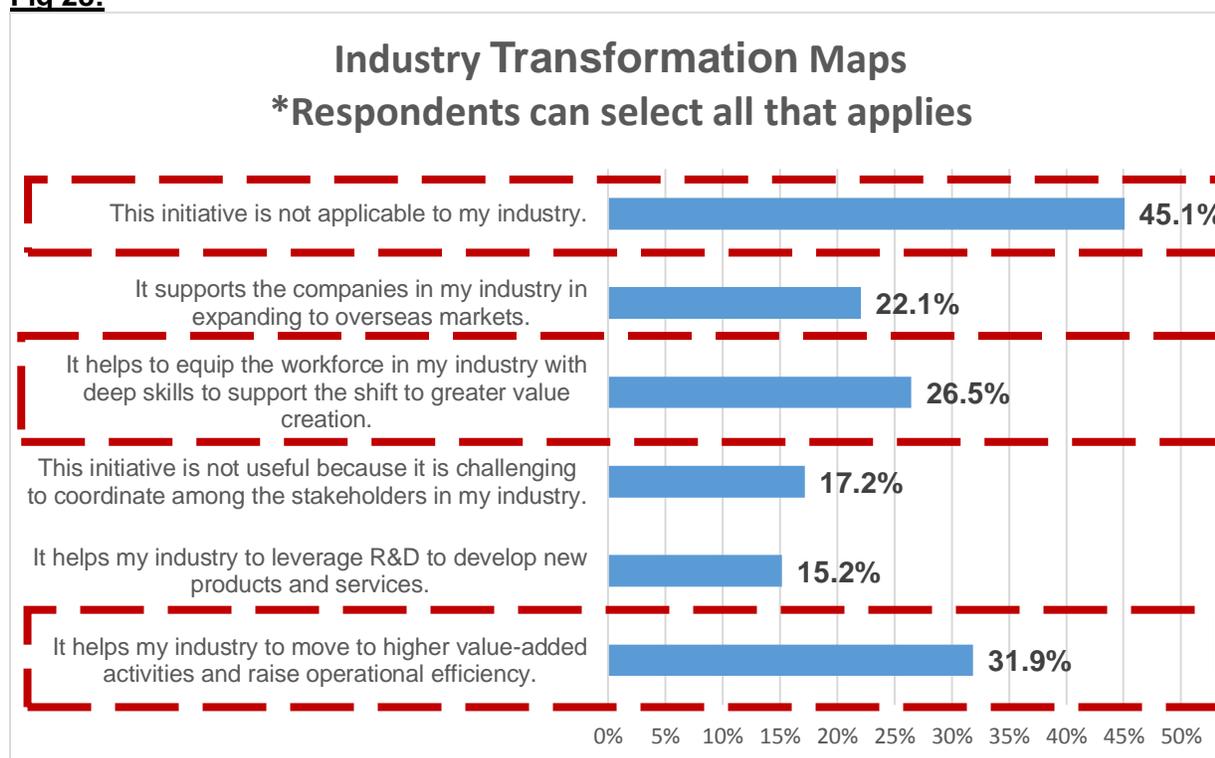
Fig 28:

Industry Transformation Maps
*Respondents can select all that applies

- This initiative is not applicable to my industry. — 45.1%
- It supports the companies in my industry in expanding to overseas markets. — 22.1%
- It helps to equip the workforce in my industry with deep skills to support the shift to greater value creation. — 26.5%
- This initiative is not useful because it is challenging to coordinate among the stakeholders in my industry. — 17.2%
- It helps my industry to leverage R&D to develop new products and services. — 15.2%
- It helps my industry to move to higher value-added activities and raise operational efficiency. — 31.9%

n = 204

General Impact of the Budget

33   The top five views on Budget 2017 were as follows (listed from highest to lowest percentage):

(a) 55.2% were concerned that there is little relief on foreign worker policies apart from deferment of foreign worker levy increases in specific sectors;

(b) 49.0% were concerned about immediate-term business costs as there are limited measures that address them;

(c) 42.4% were relieved that there are measures to lighten the load of rising business cost;

(d) 41.0% were appreciative that there are measures to deepen the skills of workers; and

27

(e) 27.6% were appreciative that there are measures to help companies scale up.

Fig 29:

Views on **Budget 2017**
***Respondents can select all that applies**

Statement	Percentage
Concerned that there is little relief on foreign worker policies apart from deferment of foreign worker levy increases in specific sectors.	55.2%
Concerned about immediate-term business costs as there are limited measures that address them.	49.0%
Relieved that there are measures to lighten the load of rising business cost.	42.4%
Appreciative that there are measures to deepen the skills of workers.	41.0%
Appreciative that there are measures to help my company scale up.	27.6%
Appreciative that there are measures to help my company innovate.	26.2%
Appreciative that there are measures to help my company internationalise.	22.4%
Concerned about the time lag to develop ICT skills in our people and the possible innovation / productivity increments that it could…	19.5%
Concerned that the measures only serve to delay the adjustments companies need to make in order to restructure.	14.8%
Appreciative that there are measures to improve access to intellectual property.	11.4%
Others	1.4%

n = 210

34   The key responses for the open-ended question on business challenges or items in companies' wish lists which were not addressed in Budget 2017 include:

(a) Manpower related concerns such as manpower shortage as well as foreign worker quota and levy (11 respondents provided such comments);

(b) Business cost related concerns such as rental and compliance costs (5 respondents provided such comments); and

(c) Comments to extend the Productivity and Innovation Credit scheme or have a similar measure to help businesses (5 respondents provided such comments);

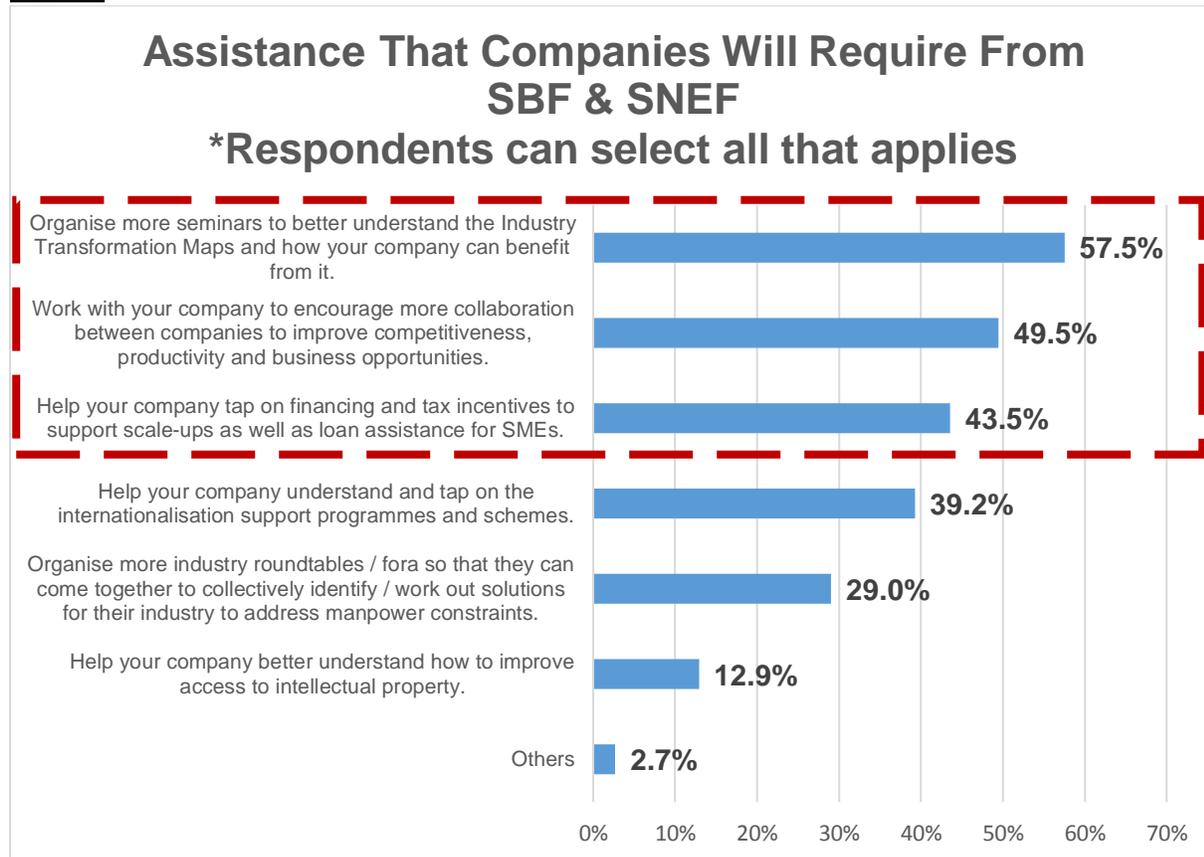**Assistance Required**

35   Most of the respondents felt that SBF and SNEF could assist them in the following areas:

(a) Organise more seminars to better understand the Industry Transformation Maps and how companies can benefit from them (57.5%);

(b) Work with companies to encourage more collaboration between companies to improve competitiveness, productivity and business opportunities (49.5%); and

(c) Help companies tap on financing and tax incentives to support scale-ups as well as loan assistance for SMEs (43.5%).

Fig 30:

Assistance That Companies Will Require From SBF & SNEF
*Respondents can select all that applies

Assistance	Percentage
Organise more seminars to better understand the Industry Transformation Maps and how your company can benefit from it.	57.5%
Work with your company to encourage more collaboration between companies to improve competitiveness, productivity and business opportunities.	49.5%
Help your company tap on financing and tax incentives to support scale-ups as well as loan assistance for SMEs.	43.5%
Help your company understand and tap on the internationalisation support programmes and schemes.	39.2%
Organise more industry roundtables / fora so that they can come together to collectively identify / work out solutions for their industry to address manpower constraints.	29.0%
Help your company better understand how to improve access to intellectual property.	12.9%
Others	2.7%

n = 186

Conclusion

36   The electronic poll as well as the detailed electronic- and paper-based survey showed that while most viewed Budget 2017 as forward looking, concerns that there is little relief on foreign worker policies and over immediate-term business costs were also highlighted. Among the Budget 2017 measures, the enhancement of Corporate Income Tax rebate, extension of Additional Special Employment Credit and increase in the accessibility of training were deemed the most beneficial to the companies.

37   The Industry Transformation Maps have been identified as key initiatives to implement the Committee on the Future Economy's strategies coherently, and to address the specific needs of different industries. However, it was not apparent from the responses of the electronic poll as well as the detailed electronic- and paper-based survey that the Industry Transformation Maps were useful to the companies. The Government in collaboration with Trade Associations & Chambers

could do more to help the business community to understand the Industry Transformation Maps and how companies can benefit from them.

38   An uncertain and evolving global operating environment is going to be the new normal moving forward. It is vital that the business community take greater charge of its own growth and future. It is heartening to know from the electronic poll that the majority of the respondents agreed that the business community should step up and collaborate more with one another as well as with Trade Associations & Chambers to create a more promising future. This is an important mindset to adopt to transit into the future economy.

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