Man-year entitlement (MYE)

The man-year entitlement (MYE) applies to construction and process sector workers from non-traditional source countries and China. If you want to hire such workers, you need to apply for MYE before applying for their Work Permits.

What is the man-year entitlement

Besides fulfilling dependency ratio requirements, migrant workers in the **construction** and **process** sectors who are not from Malaysia and North Asian source (NAS) countries will also need to fulfil the MYE requirements.

The MYE is a Work Permit allocation system for workers from non-traditional source (NTS) countries and the People's Republic of China (PRC).

The NTS countries are:

- India
- Sri Lanka
- Thailand
- Bangladesh
- Myanmar
- Philippines

The MYE reflects the total number of Work Permit holders a main contractor is entitled to employ based on the value of projects or contracts awarded by developers or owners. It is allocated in the form of the number of "man-years" required to complete a project.

A main contractor is defined as a company that contracts a project directly from the developer or owner.

Main contractors cannot allocate their MYE to other contractors not involved in the same project or sell their MYE to any contractors. Main contractors that do so will be barred from applying for new Work Permits in future.

1 man-year = 1 year of employment under a Work Permit.

MYE requirements

At the time of the MYE application:

- The main contractor must have a valid Central Provident Fund (CPF) account for construction Work Permit applications in the company's name.
- The project must have a balance period of at least 1 month.
- The total remaining contract value must be at least \$500,000.

The main contractor is allowed to **combine projects** to meet the minimum contract value requirement, provided each of the combined projects has:

- A remaining value of less than \$500,000.
- A balance period of at least 1 month.

How to calculate MYE for construction sector

For building projects under \$10 million:

Project value	MYE
Less than \$500,000	0
First \$1 million	1.325 man-years per \$100,000 value
Next \$9 million	7.950 man-years per \$1 million value

For building projects of \$10 million or more:

Project value	MYE
Less than \$500,000	0
First \$1 million	1.223 man-years per \$100,000 value
Next \$9 million	7.338 man-years per \$1 million value
Next \$20 million	4.892 man-years per \$1 million value
Next \$70 million	3.261 man-years per \$1 million value
Next \$100 million	2.446 man-years per \$1 million value

For civil engineering projects:

Project value	MYE
Less than \$500,000	0
First \$1 million	0.543 man-year per \$100,000 value
Next \$9 million	3.261 man-years per \$1 million value
Next \$20 million	2.174 man-years per \$1 million value
Remaining balance above \$30 million	1.087 man-years per \$1 million value

The MYE allocated will be rounded off to the nearest whole number.

A \$100 million building project will get an MYE of 404 after rounding down from 404.382.

How to calculate MYE for process sector

For building projects under \$10 million:

Project value	MYE
Less than \$500,000	0
First \$1 million	1.650 man-years per \$100,000 value
Next \$9 million	9.903 man-years per \$1 million value

For building projects of \$10 million or more:

Project value	MYE
Less than \$500,000	0
First \$1 million	1.523 man-years per \$100,000 value
Next \$9 million	9.141 man-years per \$1 million value
Next \$20 million	6.094 man-years per \$1 million value
Next \$70 million	4.062 man-years per \$1 million value
Next \$100 million	3.047 man-years per \$1 million value

For civil engineering projects:

Project value	MYE
Less than \$500,000	0
First \$1 million	0.677 man-year per \$100,000 value
Next \$9 million	4.062 man-years per \$1 million value
Next \$20 million	2.708 man-years per \$1 million value
Next \$70 million	1.354 man-years per \$1 million value
Next \$100 million	Case-by-case basis

The MYE allocated will be rounded off to the nearest whole number.

A \$1 million building project will get an MYE of 17 after rounding up from 16.5.

Who can apply for MYE

Only main contractors can apply for man-year entitlements.

All sub-contractors must get their MYE allocation from the main contractor.

How to apply

To apply, complete the **Application for MYE**. Mail the form and other required documents to:

Construction and Process Section

Work Pass Division Ministry of Manpower 18 Havelock Road Singapore 059764

The application will be processed within 12 working days, and the outcome will be sent to the main contractor.

MYE and prior approval

Man-year entitlements are allocated to your company when you apply for prior approval (PA).

Main contractor

For **main contractors** applying for PA, MYE deductions are made according to the number of migrant workers and type of Work Permits applied for and approved by the Work Pass Division.

Log in to **WP Online** to see your MYE balance.

Sub-contractor

Sub-contractors who need MYEs can approach their main contractors to apply for PA on their behalf.

When approved, the main contractor's MYE will be deducted accordingly.

How long an MYE is valid

An MYE will expire on the stated project completion date.

You can use the MYE in a prior approval application anytime before the MYE expires.

If a project's completion date is 12 August 2013, the MYE will be valid until 12 August 2013. Thus, the contractor should submit a PA application before 12 August 2013.

Get a duplicate copy of an MYE certificate

To get a duplicate copy of an MYE certificate, submit your letter of request either online or by post.

If submitting online, go to <u>iSubmit</u> and attach a scanned copy of your letter of request. Under **Request Type**, choose **6. Work Permit Application Matters for Business Sectors**.

If submitting by post, send your letter to:

Construction and Process Section

Work Pass Division Ministry of Manpower 18 Havelock Road Singapore 059764

The duplicate copy of the MYE will be mailed to the company.

Change of main contractor for a project issued with MYE allocation

To change the main contractor for a project that has been allocated MYEs, the new contractor has to submit these documents:

- A completed MYE application form and the required documents stated on the form.
- A letter of request (using the company's letterhead) from the main contractor stating the developer, owner or architect has terminated the old main contractor's project under that MYE certificate number, and that his company has been appointed as the new contractor.
- A letter from the developer, owner or architect confirming the termination of the old main contractor's contract, and the award of the contract to the new contractor.
- The original and photocopy of the Novation Agreement, and any other relevant documents between the developer, owner or architect, the old main contractor and the new main contractor.

Send the required documents by to:

Construction and Process Section

Work Pass Division Ministry of Manpower 18 Havelock Road Singapore 059764

Extend the validity of an MYE

As a main contractor, you can request to extend the MYE if the project's completion date has been extended.

You will need to submit these documents:

- A letter requesting an extension for the MYE. Include the MYE certificate number, project description and new project completion dates.
- A photocopy of the letter from the developer or architect to the main contractor stating the existing and new completion date, as well as the project description.
- The original MYE certificate.

Send the required documents to:

Construction and Process Section

Work Pass Division Ministry of Manpower 18 Havelock Road Singapore 059764

If the extension is approved, the new project completion date will be indicated in the original MYE certificate, and this will be sent to the main contractor within **14 working days**.