



## MEDIA STATEMENT

# SBF welcomes Budget 2025's focus on building long-term capabilities while addressing immediate cost pressures

18 February 2025 [Singapore]

Budget 2025 strikes the right balance between providing immediate cost relief and advancing the long-term transformation agenda for businesses. The Singapore Business Federation (SBF) welcomes the Budget measures and describes them as thoughtful and well-considered. SBF notes that many of the measures take into account recommendations and feedback from the business community on how to support enterprise growth, workforce transformation, and strengthening of the enterprise ecosystem. They demonstrate the government's commitment to co-create solutions with the business community to help businesses navigate evolving challenges and strengthen their resilience and competitiveness.

### Commentary:

#### Helping businesses alleviate cost pressures

**Mr Kok Ping Soon, Chief Executive Officer of SBF**, said, "Following from last year's Budget announcements, the newly announced corporate income tax rebate of 50% will provide immediate relief to businesses facing cost pressures. This key measure was identified as the most effective cost-management tool by 88% of respondents in the SBF's National Business Survey 2024. The rebate will provide timely short-term relief. Measures such as the Progressive Wage Credit Scheme, and enhancements to the Senior Employment Credit will also help businesses with wage costs. This is crucial support, especially in mitigating the impact of rising business costs, amidst global uncertainties. Looking ahead, businesses must also continue to invest in productivity and workforce transformation to strengthen Singapore's long-term economic resilience.

#### Enhancing enterprise workforce transformation

Beyond immediate cost relief, enterprise and workforce transformation remain priorities. The enhanced SkillsFuture Enterprise Credit (SFEC) and SkillsFuture Workforce Development Grant build on the recommendations from our Alliance for Action on Business Competitiveness and are welcome moves to support a holistic approach to workforce and enterprise transformation. We particularly welcome the shift from a reimbursement model to a wallet-based structure to address a key challenge faced by SMEs. The government's responsiveness in refining the scheme based on industry feedback is encouraging.

#### Strengthening business ecosystem

We also welcome measures to strengthen the business ecosystem including measures to support enterprises to internationalise and to facilitate inorganic growth strategies such as through mergers and acquisitions which were among our Budget recommendations. We also highlighted the importance financing to support growth and scale, and welcome initiatives to support access to alternative financing options such as private credit. We look forward to more details from the Government in these areas.



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We also welcome the over \$10 billion in investments in infrastructure including investments in R&D infrastructure, physical and digital connectivity, and investments to support Singapore's long-term energy security. Taken together, these measures demonstrate Singapore's philosophy in laying the groundwork today for long-term economic growth. SBF remains committed to working with the government to mobilise businesses and magnify opportunities for a stronger, more competitive Singapore."

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### For media queries, please contact:

Sarah Carlos  
Marketing Communications Manager  
Singapore Business Federation  
T: +65 9450 0548  
E: [sarah.carlos@sbf.org.sg](mailto:sarah.carlos@sbf.org.sg)

Melody Faye Jimbangan  
Ruder Finn on behalf of  
Singapore Business Federation  
T: +65 9352 5498  
E: [melody.faye@ruderfinn.com](mailto:melody.faye@ruderfinn.com)

### About Singapore Business Federation (新加坡工商联合总会)

Singapore Business Federation (SBF) is the apex business chamber with over 32,000 members across diverse industries. With a vision to advance Singapore towards a globally competitive and sustainable economy, SBF mobilises the business community to be future-ready and magnify transformation opportunities through policy advocacy, partnership platforms and capability programmes.

For more information, please visit: [www.sbf.org.sg](http://www.sbf.org.sg)