



18 June 2015

All Contractors

WORKPLACE SAFETY AND HEALTH CIRCULAR ON ENHANCED DEMERIT POINTS SYSTEM FOR THE CONSTRUCTION INDUSTRY

The Demerit Points System (DPS) was first introduced in 2000 as a means to encourage construction contractors with poor WSH records to improve on their performance. Over the years, the DPS had undergone reviews to ensure that it remains relevant and serves to enhance WSH in the construction industry.

2. From 1 July 2015, the following four key changes to enhance the DPS will take effect:

- a) **Single-stage system** – the DPS will be simplified into a single-stage system where accumulation of a pre-determined number of demerit points will result in debarment from employment of foreign workers.
- b) **Number of demerit points will be calibrated to deter employers from putting their workers to unnecessary risks at work** – For example, under the current DPS, a contractor would be issued 12 demerit points for a fatal accident that led to the death of one person, which would not trigger debarment. Under the enhanced DPS, the contractor would be issued 25 demerit points at the point of the Ministry's decision to prosecute. This will result in a 3-month debarment of company's access to foreign workers.
- c) **Demerit points' validity extended to 18 months** – To ensure that adherence to good WSH practices are sustained, companies will only exit the enhanced DPS after 18 months without further safety lapse, up from the current 12 months.
- d) **Restrictions on employment of foreign workers to be imposed at company level** – Companies that are debarred from employing foreign workers will have such restrictions imposed company-wide, and not just at the affected worksites.

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3. The details of the enhanced DPS are attached with this circular. If you have any further queries or clarification, please contact us at MOM_OSHD@mom.gov.sg.



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ANNEX

IMPLEMENTATION OF THE ENHANCED DEMERIT POINT SYSTEM

Demerit Points to be issued

The number of demerit points issued on contractors will be based on the severity of the offences committed. The following table indicates the number of demerit points issued for each offence:

Type of Incident	Demerit Points	Effective Date
Composition Fines	1 point per fine from the 4 th Composition Fine onwards	Date of MOM's decision to offer Composition Fines
Stop Work Order (Partial)	5	Date of Stop Work Order issued
Stop Work Order (Full)	10	
Prosecution action taken for accident that led to serious injuries to any person	18	Date of MOM's decision to prosecute
Prosecution action taken for dangerous occurrence (potential for multiple fatalities)	18	
Prosecution action taken for accident that led to death of one person	25	
Prosecution action taken for accident that led to death of more than one person	50	

Penalties to be imposed

2 When demerit points are issued to contractors, they will be informed in writing. The letter will include the total number of demerit points that the contractor has accumulated thus far, and a breakdown of these demerit points. In calculating the demerit points for a contractor, the points accumulated from all the worksites under the same contractor will be considered together.

3 A contractor who accumulates a pre-determined number of demerit points within an 18-month period will be debarred from employing foreign workers. The accumulation of more demerit points will result in longer periods of debarment:

Phase	Number of Demerit Points Accumulated	Scope of Debarment	Duration of Debarment
Phase 1	Accumulation of greater than or equal to 25 points but less than 50 points i.e. $25 \leq \text{Points Accumulated} \leq 49$	No hiring of new workers but allow renewal of existing workers	3 months
Phase 2	Accumulation of greater than or equal to 50 points but less than 75 points i.e. $50 \leq \text{Points Accumulated} \leq 74$	No hiring of new workers but allow renewal of existing workers	6 months
Phase 3	Accumulation of greater than or equal to 75 points but less than 100 points i.e. $75 \leq \text{Points Accumulated} \leq 99$	No hiring of new workers but allow renewal of existing workers	1 year
Phase 4	Accumulation of greater than or equal to 100 points but less than 125 points i.e. $100 \leq \text{Points Accumulated} \leq 124$	No hiring of new workers but allow renewal of existing workers	2 years
Phase 5	Accumulation of greater than or equal to 125 points i.e. $\text{Points Accumulated} \geq 125$	No hiring of new workers and <u>no</u> renewal of existing workers	2 years