

Why ring-fence platform work for locals but not remote freelance work?

Singapore's two-track freelancing policy shows fairness and openness can coexist in one labour market.

Clara Lee and Mathew Mathews

Singapore's stance on the freelance and platform economy often seems puzzling.

On the one hand, the authorities take a firm position against foreigners doing on-demand jobs here without valid work passes.

This includes delivery riders, private-hire drivers and, most recently, creative professionals such as photographers or make-up artists, as well as cross-border pickups between Singapore and Malaysia.

Yet, when it comes to work that can be performed remotely – such as content creation, coding or graphic design – the rules are far more relaxed. Local firms are free to hire freelancers or independent contractors based anywhere in the world.

Why is it that foreigners are barred from delivering food on our streets yet welcome to design apps or write articles from abroad?

WHY PHYSICAL GIG WORK IS RING-FENCED

There are clear reasons why Singapore takes a tough stance on gig work performed physically within its borders.

First, many of these jobs take place in public spaces where the state bears responsibility.

Food delivery, ride-hailing and even on-site creative services, such as photography, depend on access to our roads, pavements and venues. This requires licensing, training and insurance regimes to ensure safety and accountability.

Second, such work serves as an employment shock absorber for locals during downturns.

Platform driving and delivery offer fallback options, along with quick entry and flexible hours for those between jobs, caregivers and mid- to lower-skilled workers.

Allowing foreigners to compete freely in this space would depress remuneration and locals would lose a safety net.

Third, consistency with Singapore's broader foreign manpower policy matters.

Work performed physically in Singapore is already regulated through rules imposed on various classes of employment passes, as



There are clear reasons why Singapore takes a tough stance on gig work performed physically within its borders, say the writers. If the work is done here, it must be done under Singapore's labour and immigration rules. That way, volumes can be managed, responsibilities assigned, and safety and tax obligations upheld. ST PHOTO: LIM YAOHUI

well as the corresponding quotas and levies.

The principle is simple: If the work is done here, it must be done under Singapore's labour and immigration rules.

That way, volumes can be managed, responsibilities assigned, and safety and tax obligations upheld. Letting foreigners bypass this framework via casual physical freelance gigs creates a huge loophole.

For this reason, the authorities have stepped up enforcement against cross-border pickups by Malaysian drivers despite local demand, and against foreigners on visitor passes offering creative services.

WHY REMOTE FREELANCE MARKETS STAY OPEN

In contrast, remote freelance work is treated differently.

Digital services – spanning design, content, research and support – are tradable by design. They can be contracted, delivered and paid for across borders with minimal marginal cost.

Attempting to reserve such work for locals would require geofencing, imposing data localisation rules or blocking payments. That would raise costs for local firms, cripple start-ups, and damage Singapore's standing as a digital hub.

It would also be unenforceable. Millions of micro-contracts are made daily on global platforms, far from the reach of regulators.

Instead, Singapore competes in a different way. It builds trusted digital infrastructure, inks trade agreements and invests in

connectivity, so that local firms can combine strong domestic capabilities with global expertise, boosting productivity and competitiveness.

Besides, restricting access to overseas talent would do more harm than good in an innovation-driven economy.

Openness allows Singapore companies, especially smaller firms, to move quickly and tap specialist skills at competitive rates. Seen this way, Singapore's approach is not contradictory but a two-track strategy.

MIND THE SOCIAL BARGAIN

Still, openness brings anxieties.

Remote outsourcing exposes local white-collar workers in tradable tasks, like content production, data analytics or software testing, to cheaper overseas competition. Such concerns cannot be dismissed.

Political scientist John Ruggie described this balance as "embedded liberalism": international economic openness coupled with protections at home to mitigate its negative effects.

The post-World War II social bargain that underpinned an era of globalisation paired openness to trade and capital mobility with welfare protections, active labour market intervention and social insurance.

Singapore has its own version of this balance. Instead of shielding sectors with tariffs or outright bans, it invests heavily in transition support while enforcing fairness where it has jurisdiction.

For in-person roles, that means progressive wages, stronger

protections for platform workers – including injury coverage and phased retirement contributions – and greater accountability from platform operators.

For the wider workforce, that means a dense ecosystem of upskilling through lifelong learning credits, career conversion programmes, wage co-funding to encourage mid-career hires, job matching services, and graduate industry traineeships. These measures aim to ensure Singaporeans can keep competing, even as markets stay open.

SIGNALLING FAIRNESS MATTERS

Even with such support in place, worries remain.

The global outlook is uncertain, and headlines about rising unemployment, especially among youth in Singapore and elsewhere, heighten anxieties.

In such an environment, visible enforcement against freelancing loopholes reassures workers that rules are upheld and competition is fair.

Recent crackdowns on foreigners doing platform delivery work or creative gigs without proper passes send a clear message: The state will enforce rules to maintain orderly competition and protect local livelihoods.

Such measures cannot stem the global tide of remote outsourcing. But they can shore up confidence, stabilise incomes for more vulnerable workers, and give workers and firms time to adjust.

Singapore's stance may look contradictory at first glance.

In fact, it reflects a careful calibration between protecting what can and must be regulated locally, while staying open to what must inevitably be competed for globally.

Looking ahead, foreign competition will remain a concern, but the bigger test lies in how rapidly advancing technologies – generative artificial intelligence (AI), drones, autonomous vehicles – transform platform work and automate a wide range of white-collar tasks, including those in our judiciary system.

Though it is too early to draw firm conclusions, early evidence from an August study by Stanford University scholars at its Digital Economy Lab suggests that the AI revolution is already having a significant and disproportionate impact on workers in advanced economies, particularly in occupations where automation, rather than augmentation, is more likely.

For Singapore, this means the challenge is not only managing global labour flows, but also adapting to technological disruption that could fundamentally reshape opportunities at home.

Holding that balance – being fair at home and open abroad – will remain essential for Singapore to continue navigating the future of work.

Clara Lee is a research fellow at the Institute of Policy Studies, National University of Singapore. Mathew Mathews is a principal research fellow and head of the Social Lab at the same institute.