



SINGAPORE'S SLOWDOWN IN JOB CREATION

In its 30 October 2012 report, Singapore's Ministry of Manpower reported on the city state's slowdown in creating jobs, particularly in the service sector. According to the report, the job creation will slow down to 2% or less per year from 4% yearly for the past decade. An estimated 11,300 jobs were created which was lower than 21,200 jobs created for the same period last year. In the future, it is also estimated that the job growth of 80,000 to 120,000 a year will go down to the level of 65,000 to 75,000 a year.

The factors contributing to the slowdown are: 1) global economic conditions, 2) Singapore's changes in structural policies i.e., tightening of foreign workers quotas, and 3) the US presidential elections and China's leadership transition.

In preparation for this development, Singapore is putting emphasis towards boosting productivity and upgrading the skills of the existing workforce to ensure that the economy continues to be competitive. This may result to multinational companies relocating outside of Singapore or considering other investment destinations as the city-state's policy of lessening its dependence on foreign labor is constraining their manpower requirements such as technical workers and management level workers.

As of December 2011, POEA records showed that Singapore is one of the top ten destinations of OFWs, majority (around 50%) of which are household service workers. This was followed by professionals, productions workers, sales workers, administrative and managerial workers and clerical workers.