

Second Quarter 2025

Labour Market Advance Release



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LABOUR MARKET ADVANCE RELEASE SECOND QUARTER 2025

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Director
Manpower Research and Statistics Department
Ministry of Manpower
18 Havelock Road #05-01
Singapore 059764
Republic of Singapore

Email: mom_rsd@mom.gov.sg

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Notations

- : Nil or Negligible
P : Preliminary
Q : Quarter
M : March
J : June
S : September
D : December

Abbreviations

MDW : Migrant Domestic Workers
MOM : Ministry of Manpower
SSIC : Singapore Standard Industrial Classification
excl : Excluding

Highlights

Advance estimates showed a resilient labour market in 2Q 2025, supported by continued economic growth. Total employment rose, with stronger employment gains among both residents and non-residents, while unemployment rates and retrenchments remained stable. However, signs of softening continued to emerge in some outward-oriented sectors. Resident employment increased in *Financial Services* and *Health & Social Services*, while some outward-oriented sectors such as *Professional Services* and *Information & Communications* continued to see declines.

- Both residents and non-residents saw higher employment growth in 2Q 2025 compared to 1Q 2025 and 4Q 2024. As a result, total employment growth continued to expand in 2Q 2025 (8,400), but at a slower pace compared to 2Q 2024 (11,300).
- Resident employment growth continued to increase in *Financial Services* and *Health & Social Services*, while some outward-oriented sectors such as *Professional Services* and *Information & Communications* saw further declines.
- Growth in non-resident employment was driven entirely by Work Permit Holders (WPH), particularly in the *Construction* sector.
- After declining in April and May, both resident and citizen unemployment rates rose in June 2025 (resident: 2.9%, citizen: 3.0%), returning to rates seen in March 2025. The unemployment rates also remained within the non-recessionary range.
- The number of retrenchments were stable at 3,500 in 2Q 2025 (1Q 2025: 3,590), with similar or lower levels across most sectors. The incidence of retrenchment also remained low at 1.4 retrenched per 1,000 employees. Business reorganisation or restructuring remained the top reason for retrenchments in 2Q 2025.

Global economy uncertainty is expected to persist in the months ahead and may weigh on hiring and wage growth, particularly in outward-oriented sectors. Business sentiment remains cautious at the overall, with hiring and wage expectations for 3Q 2025 dipping slightly from the previous quarter. Declines in wage expectations were observed in outward-oriented sectors such as *Financial & Insurance Services*, *Professional Services*, and *Transportation & Storage*. Coupled with the already high resident labour force participation rate, which constraints the magnitude of future employment growth, employment is expected to expand at a more moderate pace than in 2024.

The *Labour Market Report Second Quarter 2025*, to be released in mid-September 2025, will provide more details, such as resident and non-resident employment breakdowns, sectoral data, number of job vacancies, labour turnover, and re-entry rates among retrenched residents.

For data requests and queries pertaining to the report, please reach out to MOM's Research and Statistics Department at mom_rsd@mom.gov.sg.

Overview

Advance estimates point to a resilient labour market in 2Q 2025, supported by continued economic growth¹. Total employment rose, with stronger growth among both residents and non-residents, while unemployment rates and retrenchments remained stable. However, signs of softening continued to emerge in some outward-oriented sectors. Resident employment increased in *Financial Services* and *Health & Social Services*, while some outward-oriented sectors such as *Professional Services* and *Information & Communications* continued to see declines.

Employment is expected to continue expanding moving forward, though at a more moderate pace than in 2024. Business sentiments have remained cautious, with hiring and wage expectations for 3Q 2025 dipping slightly from the previous quarter.

Employment^{P,2,3}

Total employment continued to expand in 2Q 2025 (8,400), higher than in 1Q 2025 (2,300) and 4Q 2024 (7,700), though lower than in 2Q 2024 (11,300). This was due to larger gains in both resident⁴ and non-resident⁵ employment compared to 1Q 2025.

Resident employment continued to grow in *Financial Services* and *Health & Social Services*, while some outward-oriented sectors such as *Professional Services* and *Information & Communications* registered further declines amid ongoing economic headwinds. Resident employment also declined in *Retail Trade*, as employers continued to release workers after the seasonal hiring in 4Q 2024 for year-end festivities.

Growth in non-resident employment was solely supported by WPH, primarily in *Construction*. Increases in non-resident employment were also seen in *Administrative & Support Services* and *Health & Social Services*.

¹ Based on MTI's advance estimates for 2Q 2025, the Singapore economy grew by 4.3% y-o-y in 2Q 2025, extending the 4.1% growth in 1Q 2025.

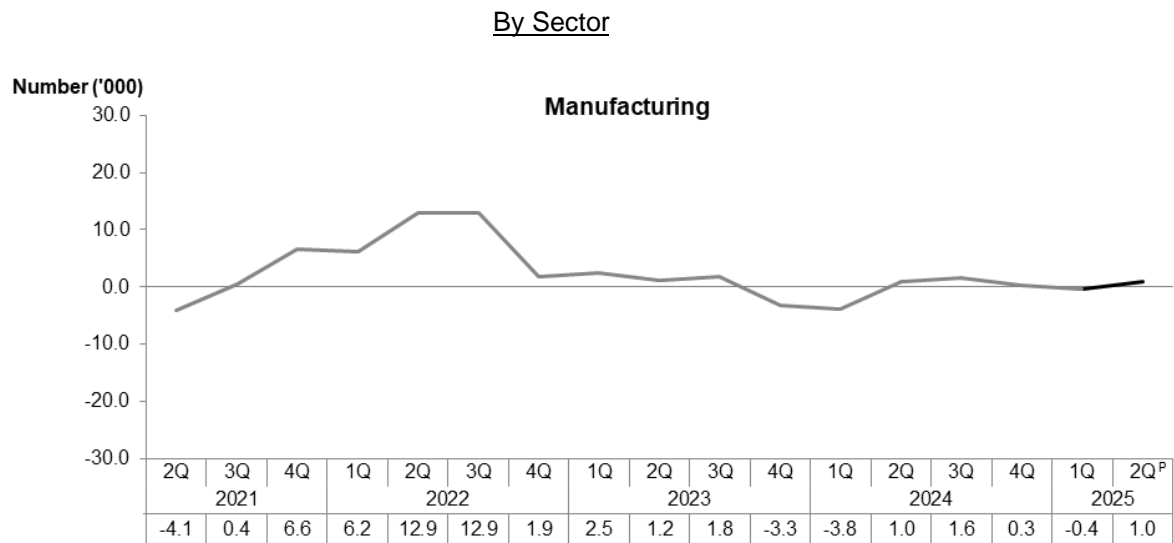
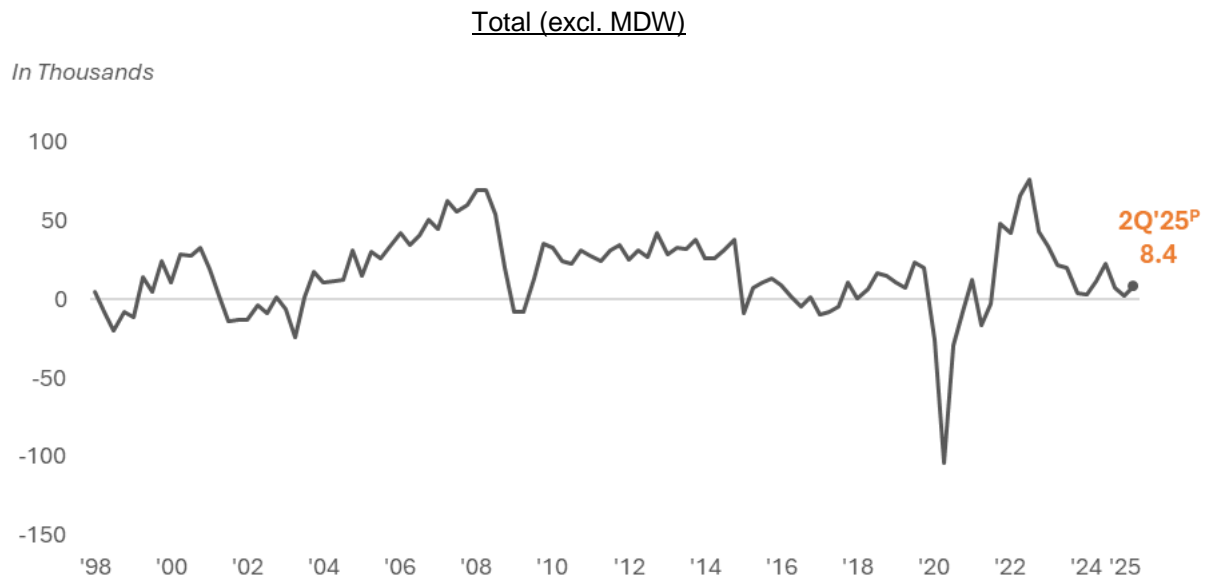
² Employment figures cited in this report exclude Migrant Domestic Workers (MDW).

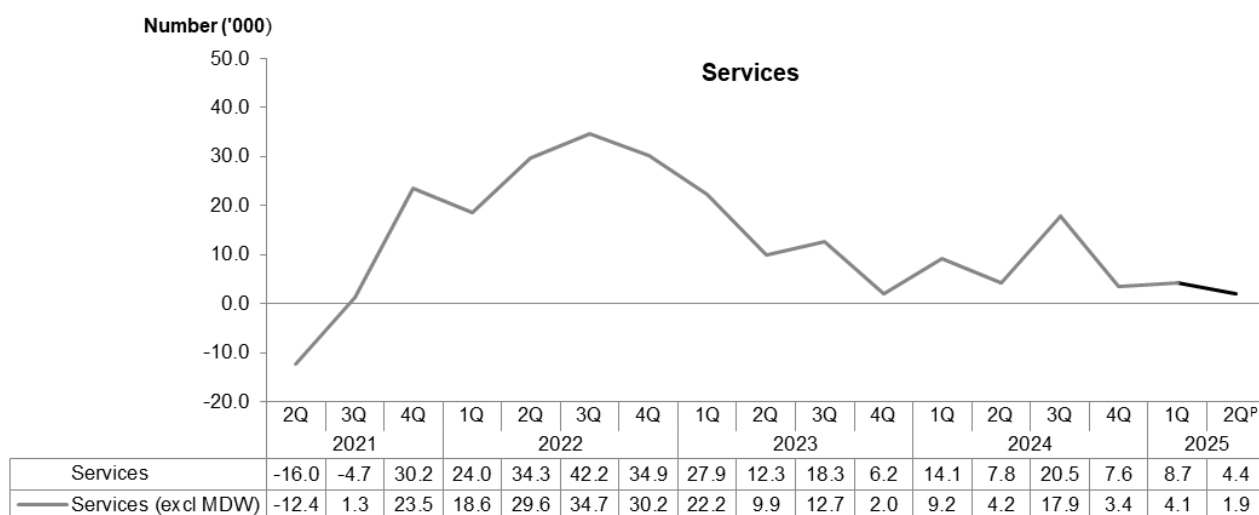
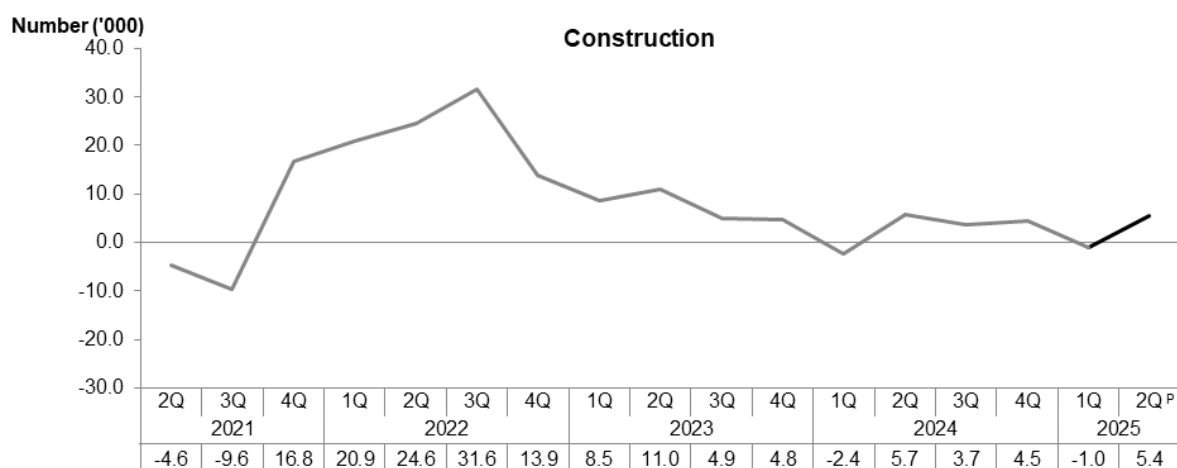
³ Based on preliminary estimates, 486,600 persons were employed in *Manufacturing*, 543,900 in *Construction*, and 3,007,400 (2,698,700 excl. MDW) in *Services* in June 2025. Employment totalled 4,063,900 (3,755,200 excl. MDW) in June 2025 (total includes other sectors like agriculture, fishing etc.).

⁴ "Resident" refers to Singapore Citizens and Permanent Residents.

⁵ As per the Department's usual practice, resident and non-resident quarterly employment change figures will not be released for the Labour Market Advance Release. These figures will be published in the Labour Market Report Second Quarter 2025, to be released in mid-September 2025.

Chart 1 Quarterly Employment Change





Source: Administrative Records and Labour Force Survey, Manpower Research & Statistics Department, MOM

P: Preliminary

“-”: nil or negligible

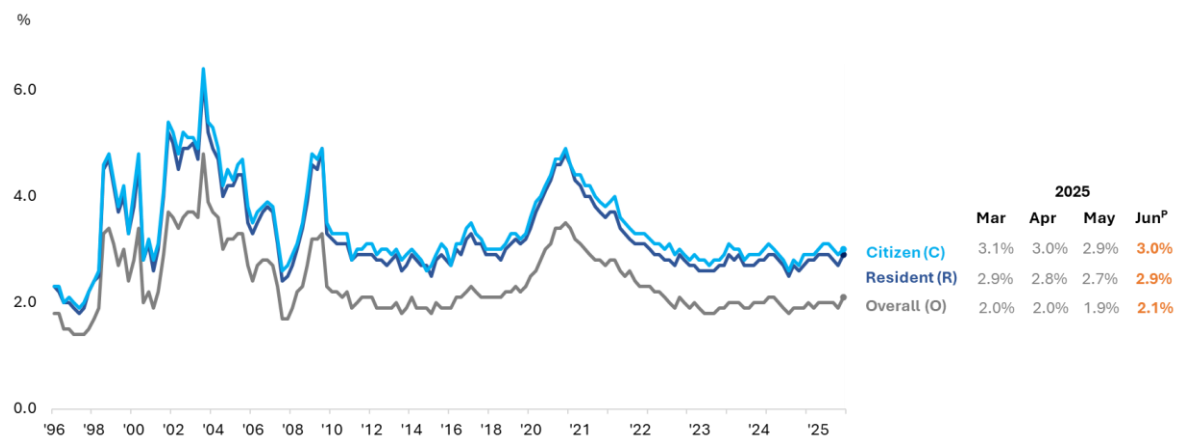
Notes:

- (1) Data are primarily from administrative records, with the self-employed component estimated from the Labour Force Survey.
- (2) Data for the three major sectors do not add up to the total as the latter includes Agriculture, Fishing, Quarrying, Utilities and Sewerage & Waste Management.
- (3) The industries are classified based on SSIC 2020.
- (4) Employment change refers to the difference between employment level at the end of the reference period and that at the end of the preceding period.
- (5) Data for 1Q 2025 are revised to reflect updates in industry classification of firms.

Unemployment^P

After a decline in the past two months, unemployment rates in June 2025 (resident: 2.9%, citizen: 3.0%) rose back to rates seen in March 2025. The unemployment rates remained within the non-recessionary range⁶.

Chart 2 Unemployment Rates (Seasonally Adjusted)



Source: Labour Force Survey, Manpower Research & Statistics Department, MOM

^P: Preliminary

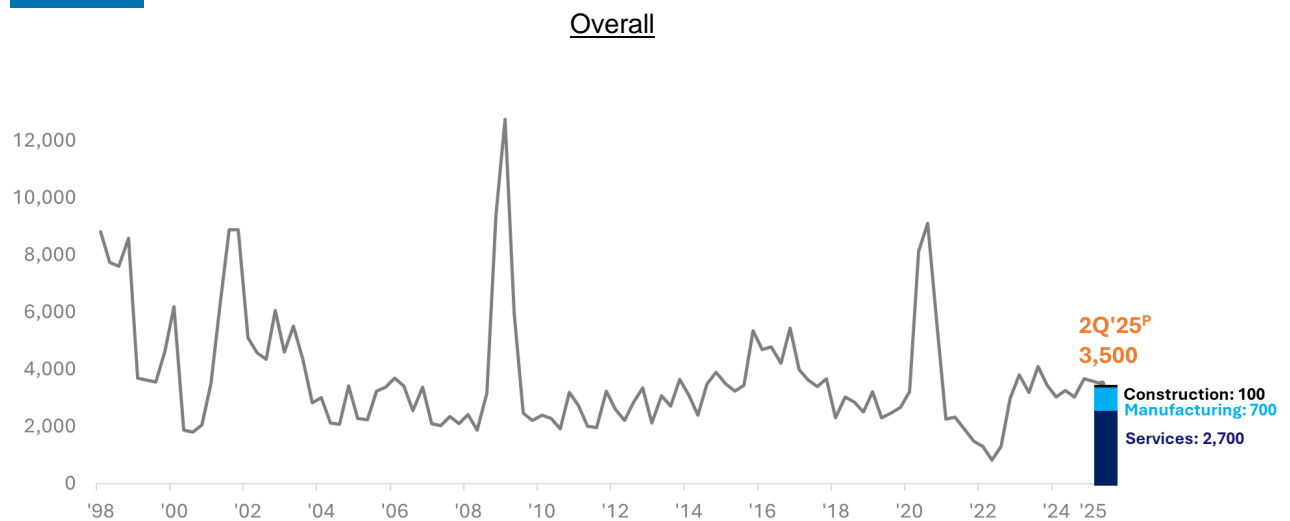
⁶ From 2015 to 2019, the range was – overall: 1.8% - 2.3%; residents: 2.5% - 3.3%; citizens: 2.7% - 3.5%.

Retrenchments^P

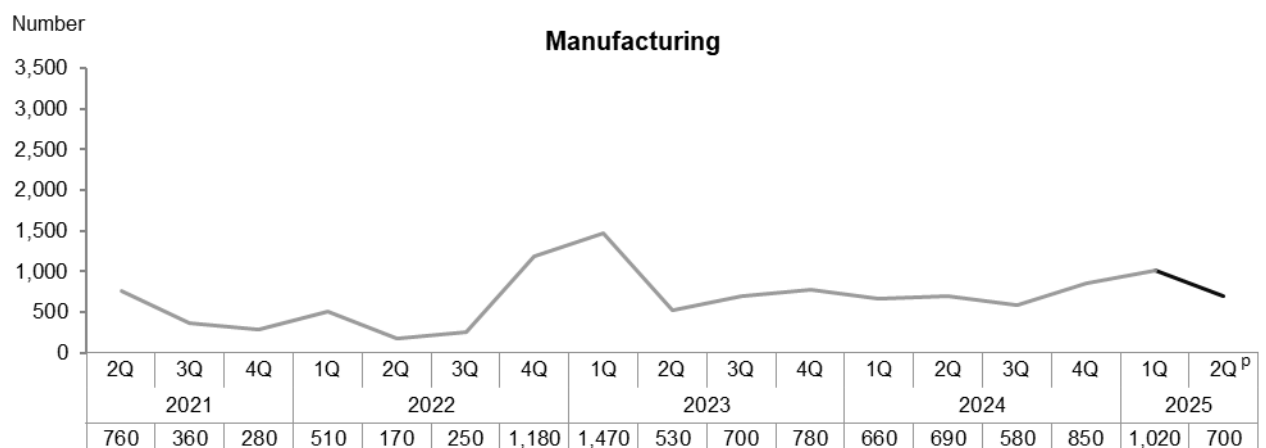
The number of retrenchments remained stable at 3,500 in 2Q 2025, comparable to 1Q 2025 (3,590). The incidence of retrenchment also remained low at 1.4 retrenched per 1,000 employees in 2Q 2025, declining slightly from 1.5 in 1Q 2025.

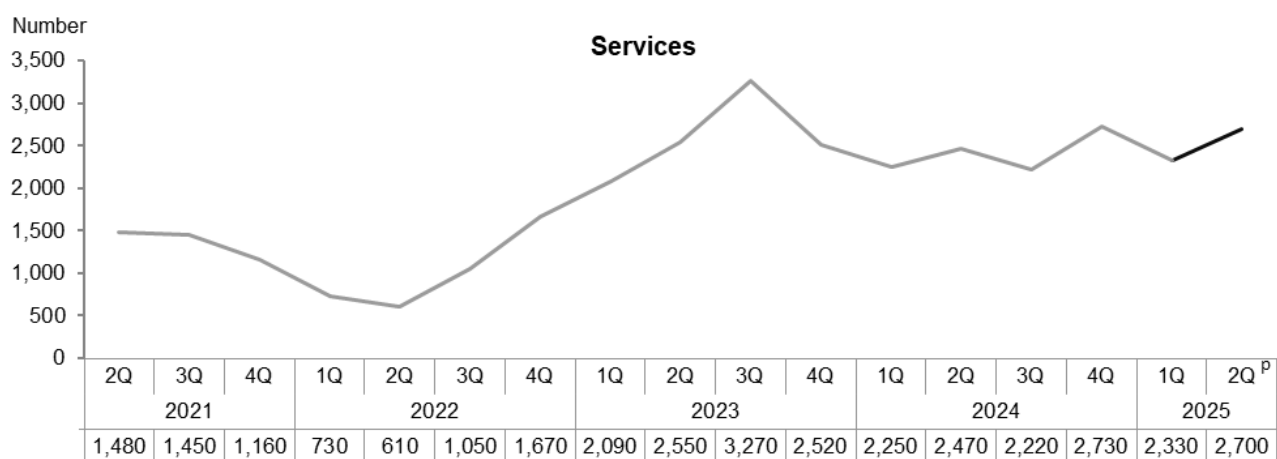
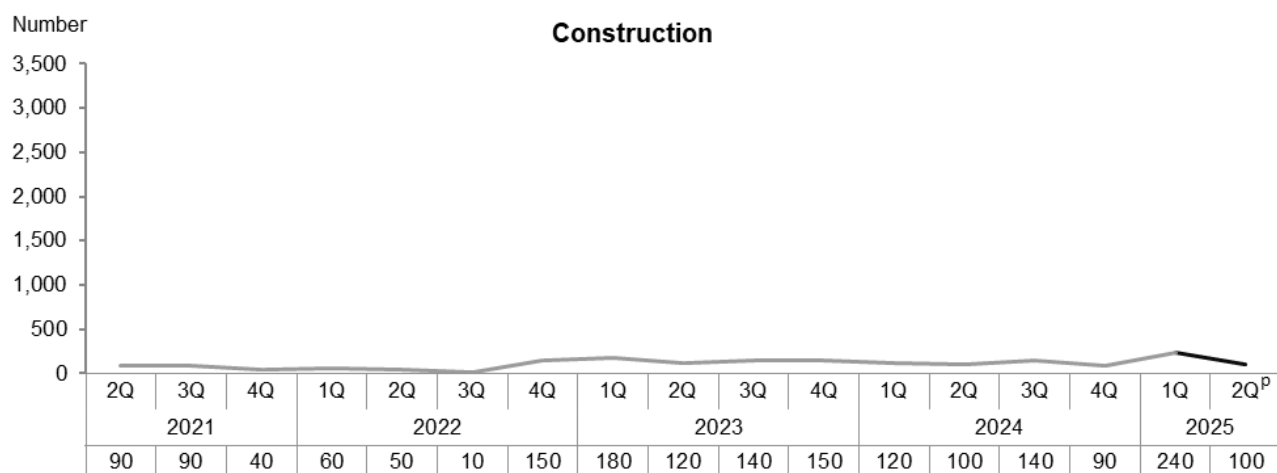
Retrenchments were either stable or lower across most sectors, with business reorganisation or restructuring remaining the top reason for retrenchments in 2Q 2025.

Chart 3 Quarterly Retrenchments



By Sector





Source: Labour Market Survey, Manpower Research & Statistics Department, MOM

^P: Preliminary

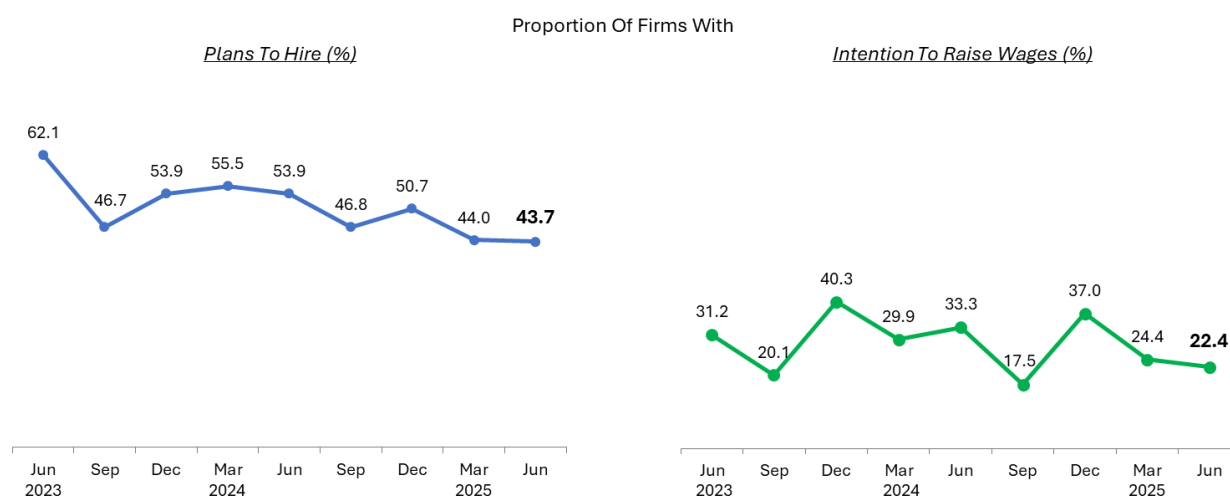
Notes:

- (1) Data pertain to private sector establishments (each with at least 25 employees) and the public sector.
- (2) The industries are classified based on SSIC 2020.
- (3) Data for the three major sectors may not add up to the total as the latter includes Agriculture, Fishing, Quarrying, Utilities and Sewerage & Waste Management.

Looking ahead, global economic uncertainty is expected to persist and may weigh on hiring and wage growth, particularly in outward-oriented sectors.

Business sentiment remains cautious at the overall, with hiring and wage expectations for 3Q 2025 dipping slightly from the previous quarter. MOM's business expectations polls conducted between April to June 2025 showed that the proportion of firms expecting to hire declined slightly from 44.0% in 2Q 2025 to 43.7% in 3Q 2025. The proportion of firms which expect to raise wages also declined, from 24.4% to 22.4%. Declines in wage expectations were observed in outward-oriented sectors such as *Financial & Insurance Services*, *Professional Services*, and *Transportation & Storage*.

Chart 4 Hiring and Wage Expectations for the Next Three Months⁷



Source: Manpower Research & Statistics Department, MOM

Note:

Data reflect the proportion of companies that indicated 'yes' or 'maybe' to having plans to hire or to raising wages in the next three months.

⁷ Figures have been revised to reflect a change in methodology.

Explanatory Notes

Employment

Source

Primarily from administrative records. The self-employed component is estimated from the Labour Force Survey.

Coverage

Employment data comprise all persons in employment i.e. employees and the self-employed. However, it excludes men who are serving their 2-year full-time national service liability in the Singapore Armed Forces, Police and Civil Defence Forces.

Data on the number of resident employees are compiled from the Central Provident Fund (CPF) Board's administrative records of active contributors, defined as resident employees who have at least one CPF contribution paid for him/her. A resident employee is a Singapore citizen or Permanent Resident who is employed by an employer under a contract of service or other agreement entered into in Singapore. Every resident employee and his/her employer are required to make monthly contributions to the CPF. The CPF is a compulsory savings scheme that provides workers financial security in old age and helps meet the needs of healthcare, home-ownership, family protection and asset enhancement.

Data on non-residents working in Singapore are compiled from administrative records of non-residents on valid work passes issued by the Ministry of Manpower. Non-residents can work in Singapore only if they have valid work passes issued by the Ministry of Manpower.

The number of self-employed residents is estimated from the Labour Force Survey. The self-employed comprises persons aged 15 years and over who are own account workers, employers or contributing family workers.

Concepts and Definitions

Employment change refers to the change in the number of persons who are in employment, derived by taking the difference in the employment level (i.e. number of employed persons) at the end of the reference period compared with the end of the preceding period. A positive change refers to the additional number of persons who are in employment, while a negative change refers to the decline in number of persons in employment.

Uses and Limitations

Analysis of employment change over time helps in understanding the impact of cyclical and structural changes in the economy on the demand for workers. In particular, the breakdown of employment by industry helps identify sectors where employment is growing or falling.

Conceptually, the change in employment over the reference period is the difference between people entering and exiting employment during the period. Users should not mistake an increase in employment as gross job creation i.e. the increase in employment in expanding establishments only.

Unemployment

Source

Labour Force Survey

Coverage

The survey covers private households in Singapore. It excludes workers living in construction worksites, dormitories and workers' quarters at the workplace and persons commuting from abroad to work in Singapore. Estimates of the total labour force are derived by combining data on residents obtained from the survey with non-resident employment data compiled from administrative records.¹

Concepts and Definitions

Unemployed persons refer to persons aged 15 years and over who did not work but were actively looking and available for work during the reference period. They include persons who were not working but were taking steps to start their own business or taking up a new job after the reference period.

Unemployment rate is defined as the percentage of unemployed persons to the labour force (i.e. employed and unemployed persons) aged 15 years and over.

Long-term unemployed persons refer to persons aged 15 years and over who have been unemployed for 25 weeks or more.

Long-term unemployment rate is defined as the percentage of long-term unemployed persons to the labour force.

Uses and Limitations

The unemployment rate is probably the best-known measure of the labour market. It measures unutilised labour supply and is useful in the study of the economic cycle as it is closely related to economic fluctuations.

Unemployment can have frictional, cyclical and structural elements. As it takes time for job seekers and employers to find a match, there is always a certain level of frictional unemployment due to people changing jobs and from new entrants looking for work for the first time. Unemployment can also be structural e.g. arising from a mismatch between the job seekers and the job openings available. With structural unemployment, even if job vacancies and job seekers coexist in the labour market, they may not be matched over a long period of time. Finally, unemployment can be cyclical. This occurs when there is a general decline in demand for manpower as aggregate demand for goods and services falls in the event of a cyclical downturn. Unlike structural and frictional unemployment where the problem is in matching job openings with job seekers, cyclical unemployment occurs when there are not enough jobs to go around.

Unemployment can vary due to changes in demand or supply of manpower. It can decline if more people succeed in securing employment or when the unemployed persons stop looking for a job and leave the labour force either temporarily (e.g. to take up training) or permanently (e.g. to retire). Conversely, unemployment may rise due to increase in labour supply from new entrants or re-entrants to the labour market. It will also rise if more people quit their jobs to look for alternative employment or if there is an increase in layoffs.

¹ Population figures for each quarter will be finalised in the next quarter. Unemployment data are therefore subject to the latest available population estimates.

Unemployment rates by specific groups, defined e.g. by age and educational attainment are useful in identifying groups of workers most vulnerable to unemployment.

Release Schedule

From July 2020, top-line unemployment rates for overall, residents and citizens for the month will be released on a monthly basis by the first week of the month after next. This availability of top-line unemployment rates on a monthly basis will enable us to detect shifts in the unemployment situation in a more timely manner. The information will be made available on the Ministry of Manpower's statistical portal <https://stats.mom.gov.sg>.

Additional breakdown on unemployment by profile e.g. age, education, will continue to be made available in the Labour Market Reports released at the end of every quarter. This is because variations in the profile of the unemployed are unlikely in the short term.

Data Quality

To ensure data quality, the Department analyses each survey response to identify and resolve inconsistencies that may suggest an inaccurate response. A response rate of at least 85% is achieved for the monthly labour force survey so as to ensure the sample retains its representativeness.

Seasonal Adjustment

The unemployment time series are influenced by seasonality – periodic fluctuations due to recurring calendar-related events such as holidays, and the beginning and end of school terms. Seasonal adjustment removes the influences of these fluctuations and allows users to derive a more meaningful analysis of the trends in a data series, especially for those with strong seasonal patterns.

The seasonally adjusted figures are derived using X-12 ARIMA program which removes seasonal influences in the data series. To ensure a more accurate reflection of seasonally adjusted figures, concurrent seasonal adjustment is also being done and the latest information available will be incorporated.

Revisions

In order to present timely data at the highest frequency, the monthly unemployment figures are subjected to revisions when the latest population figure becomes available or when the seasonal factors are updated with the latest data.

OTHER RELEASES



Date of Release

UPCOMING ...

Labour Market Report Second Quarter 2025	08-12 Sep 2025*
Labour Market Advance Release Third Quarter 2025	30-31 Oct 2025*
Labour Force In Singapore Advance Release 2025	24-28 Nov 2025*
Labour Market Report Third Quarter 2025	08-12 Dec 2025*

PAST ...

Labour Market Advance Release Second Quarter 2025	30 Jul 2025
Labour Market Report First Quarter 2025	27 Jun 2025
Report on Wage Practices 2024	28 May 2025
Labour Market Advance Release First Quarter 2025	28 Apr 2025
Job Vacancies 2024	28 Mar 2025
Labour Market Report Fourth Quarter 2024	19 Mar 2025
Labour Force In Singapore 2024	27 Jan 2025
Labour Market Advance Release Fourth Quarter 2024	27 Jan 2025

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**The actual date of release will be indicated at least a week before the scheduled publication date.*