

# HIGHLIGHTS

- As reported in the Labour Force in Singapore Advance Release, labour market outcomes in June 2018 improved compared to a year ago. The employment rate remained high for residents aged 25 to 64, and continued to rise firmly for older residents aged 65 & over. Over the same period, the resident unemployment rate moderated for both PMETs<sup>1</sup> and non-PMETs. Finalised data confirmed that the real median income continued to grow in the recent five years.
- Singapore's employment rate for those aged 25 to 64 ranks favourably compared with OECD economies (8<sup>th</sup>), especially in terms of full-time employment rate (4<sup>th</sup>).
- Efforts to improve the employability of older workers encouraged more to stay on, and those previously outside the labour force to return to employment. This has helped to offset the impact of ageing on the overall labour force participation rate which has broadly stabilised in the recent four years, following an earlier uptrend.
- Workers continued to earn higher incomes in the recent five years. The real median income<sup>2</sup> of full-time employed residents grew by 3.5% p.a. from June 2013 to June 2018, significantly higher than the previous five years (1.9% p.a.). Sustained efforts to raise the incomes of low-wage workers helped real income growth at the 20<sup>th</sup> percentile (4.2% p.a.) grow faster than at the median in the recent five years, narrowing their gap.<sup>3</sup>
- As more job seekers found work, we saw a broad-based moderation in unemployment rate<sup>4</sup> for PMETs and non-PMETs. The unemployment rate for PMETs aged 50 & over softened even as their long-term unemployment rate rose. This suggests that while such PMETs benefitted from improved labour market conditions, there remains a group who face greater difficulty returning to the workforce.
- The proportion of resident employees on fixed-term contracts rose, suggesting greater caution among employers about hiring as the economy continues to restructure, even as the labour market has tightened.
- Compared with June 2017, more workers in June 2018 had changed jobs in the past two years. This reflects the tightening of the labour market and increase in job openings and hiring. Coupled with an increase in employment rate, there was an increased share of resident employees who started their current job in the recent year.
- The usual hours worked among employed residents continued its downtrend to 43.0 hours a week (mean) in June 2018, due to a slight dip in average hours worked among full-timers, and a rising share of part-timers in the workforce.
- Structurally, the labour force continued to age, and there were more degree holders than in the past. Despite the increase in degree graduates, their employment rate and income growth remained favourable. The vast majority of degree graduates were keen in their jobs, commonly indicating reasons such as being able to utilise their skills and had abundant learning opportunities, interesting work, promising career prospects, pay meeting expectations and job stability.

<sup>1</sup> Professionals, managers, executives & technicians

<sup>2</sup> Including employer CPF contributions.

<sup>3</sup> Refers to the ratio of the median income to the 20<sup>th</sup> percentile income of full-time employed residents.

<sup>4</sup> Non-seasonally adjusted.