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Labour Market
Advance Release

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Statistics compiled and disseminated by the MRSD adhere to international standards on official statistics set by the International Labour Organisation and International Monetary Fund.

For insights on the labour market, visit us at stats.mom.gov.sg.

For data requests and queries pertaining to our reports, reach out to us at 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 show that in 4Q 2022, total employment expanded (47,400) for the fifth consecutive quarter, and unemployment rates remained low in December 2022 (overall: 2.0%; resident: 2.8%; citizen: 3.0%). While the number of retrenchments rose (3,000) from previous quarters' lows, it was comparable to its pre-pandemic range.

For the whole of 2022, the labour market improved significantly compared to 2021. The unemployment situation is at its pre-pandemic steady state, and total and resident employment levels rose. The number of retrenchments stayed low, despite the latest quarter's rise.

4Q 2022

- Total employment expanded for the fifth consecutive quarter. Non-resident employment growth contributed to most of the increase, and was concentrated in *Construction*. Resident employment growth picked up over the quarter, amid hiring for year-end festivities in consumer-facing sectors of *Food & Beverage Services* and *Retail Trade.*

- Unemployment rates remained low in December 2022 below pre-pandemic levels.

- Retrenchments rose in 4Q 2022 from the lows of the previous three quarters and were largely due to business reorganisation or restructuring. The increase mainly reflected higher retrenchments in *Information & Communications*, *Electronics Manufacturing* and *Wholesale Trade*, while retrenchments in other sectors remained stable.

Full year 2022

- After the substantial decline during the peak of the pandemic in 2020, total employment grew by an unprecedented 231,700 in 2022. This was largely driven by non-residents, as travel restrictions were lifted and employers backfilled positions. Resident employment continued to grow, albeit at a slower pace than in 2021.

- The annual average unemployment rates were significantly lower in 2022 compared to 2021 (overall: 2.1% vs. 2.7%; resident: 2.9% vs. 3.5%; citizen: 3.0% vs. 3.7%).

- Despite the recent rise, the total number of retrenchments for 2022 (6,450) was lower than 2021 (8,020) and pre-pandemic levels.

Expectations for 2023

Based on company polls, hiring sentiments remain positive in the coming months. With fewer firms planning to raise wages in the next three months, the risk of an ensuing wage-price spiral remains low. However, the labour market could face headwinds in the coming quarters. The projected slowdown in economic growth in 2023 would likely have some impact on the momentum of labour market improvements. With the recent uptick in retrenchments, unemployment rates could also trend higher.

The *Labour Market Report 2022*, to be released in mid-March 2023, will provide more details, such as resident and non-resident employment, sectoral breakdowns, number of job vacancies, labour turnover, and re-entry rates among retrenched residents.

For data requests and queries pertaining to our report, reach out to us at mom_rsd@mom.gov.sg.

Overview

Advance estimates show that in 4Q 2022, total employment expanded for the fifth consecutive quarter, while unemployment rates remained low. Retrenchments rose from previous quarters' lows but remained within its pre-pandemic range.

For the whole of 2022, the labour market saw significant improvements for all three labour market indicators, as the economy continued to recover. The unemployment situation is at its pre-pandemic steady state, and total and resident employment levels rose. The number of retrenchments stayed low, despite the latest quarter rise.

While hiring sentiments remain positive in the coming months based on company polls, the projected slowdown in economic growth in 2023 would likely ease the momentum of labour market improvements. With the recent uptick in retrenchments, unemployment rates could also trend higher.

Employment[P,1,2]

4Q 2022

Total employment (excluding Migrant Domestic Workers) rose for the fifth consecutive quarter, expanding by 47,400 in 4Q 2022. By December 2022, total employment had surpassed its pre-pandemic level[3] by 3.0%.

Supported by seasonal hiring during the year-end holiday season, resident[4] employment[5] growth picked up over the quarter. In 4Q 2022, growth was predominantly in consumer-facing sectors of *Food & Beverage* and *Retail Trade*. Resident employment increases were also observed in *Community, Social & Support Services* (mostly in *Health & Social Services* and *Public Administration & Education*), and *Financial Services*. Growth was otherwise muted in most other sectors.

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[1] Employment figures cited in this report exclude Migrant Domestic Workers (MDWs).

[2] Based on preliminary estimates, 484,200 persons were employed in *Manufacturing*, 498,900 in *Construction*, and 2,889,900 (2,621,400 excl. MDW) in *Services* in December 2022. Employment totalled 3,897,500 (3,629,000 excl. MDW) in December 2022 (total includes other sectors like agriculture, fishing etc.).

[3] This refers to December 2019.

[4] "Residents" 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 2022, to be released in mid-March 2023.

While non-resident employment growth still contributed to most of the total increase in 4Q 2022, the growth has moderated considerably from the highs of the last two quarters, as the non-resident employment level approaches that of December 2019. The non-resident employment increase in 4Q 2022 was concentrated in *Construction*.

| Chart 1 | Quarterly Employment Change |
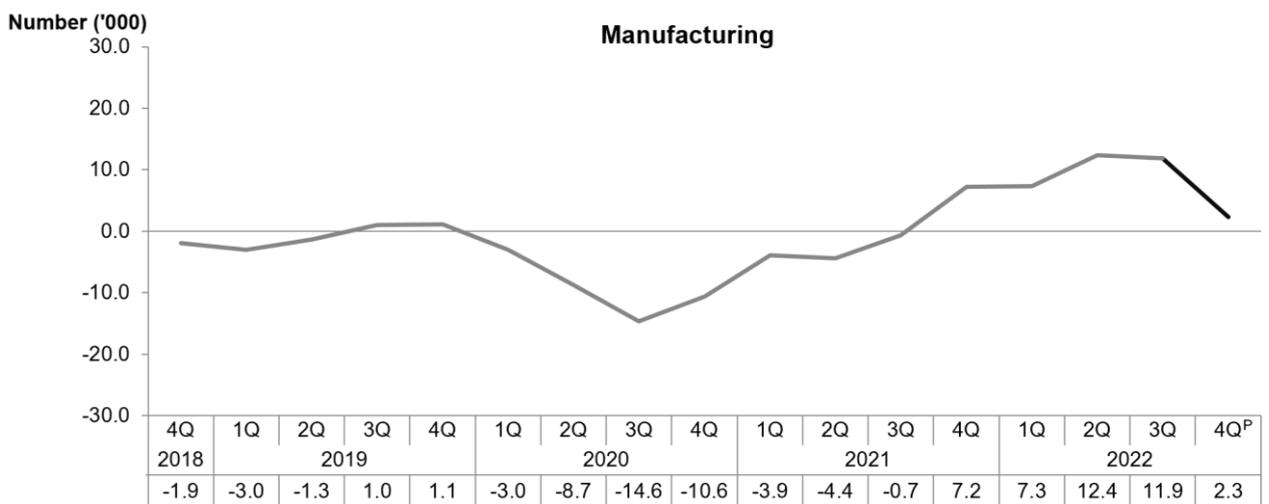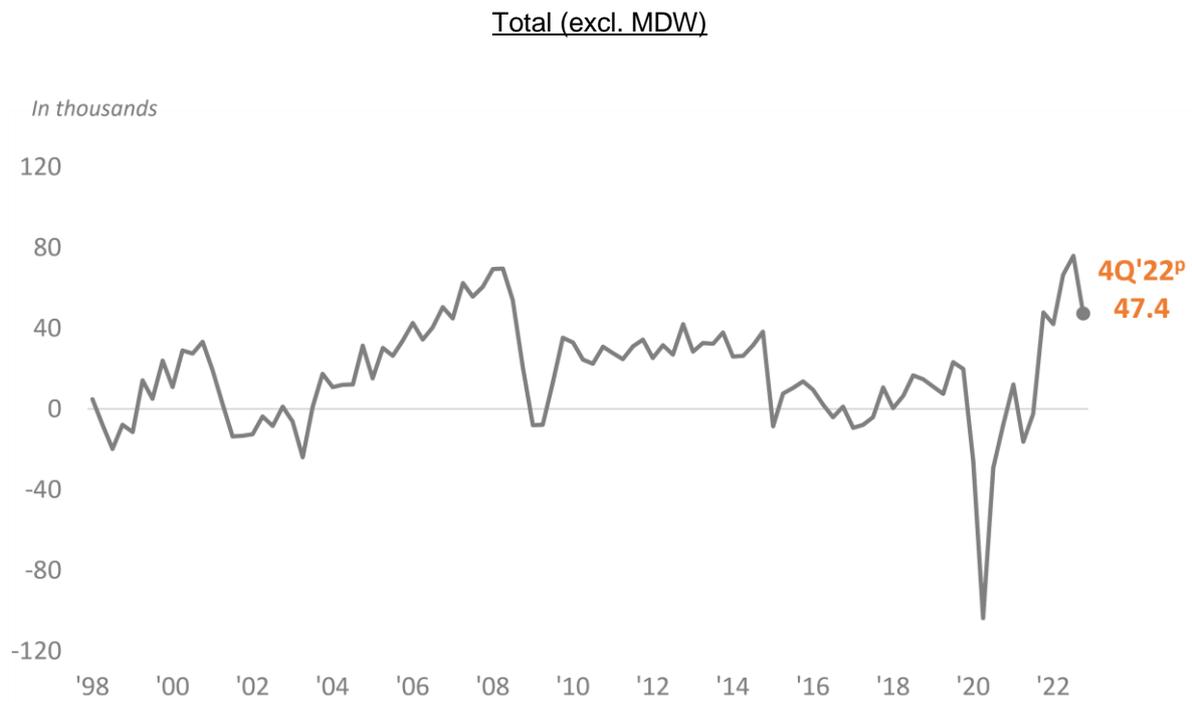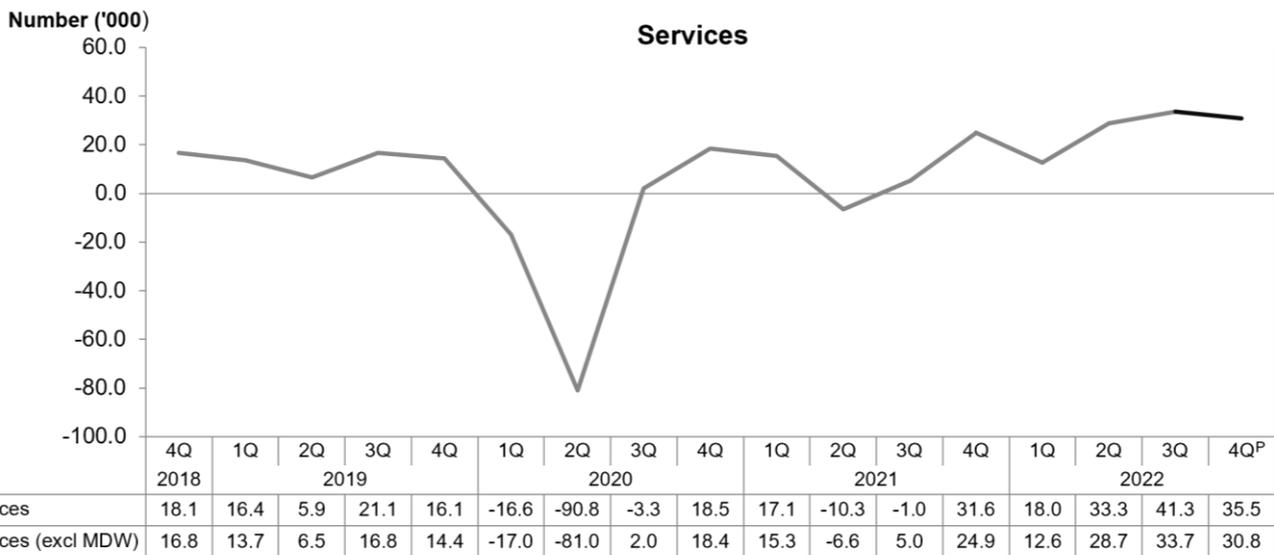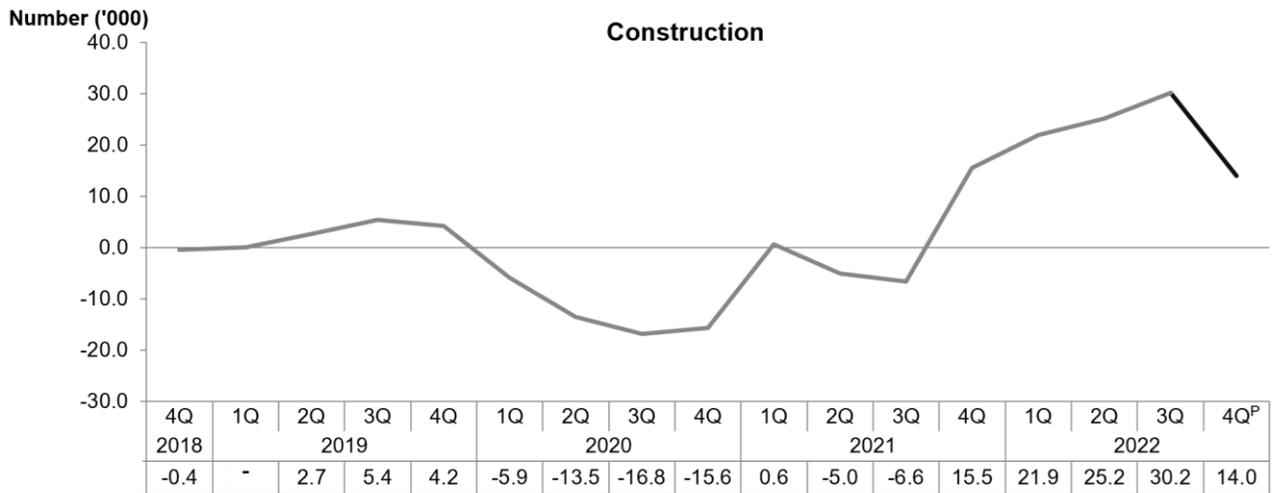
Total (excl. MDW)

	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q^P
	2018	2019				2020				2021				2022			
	-1.9	-3.0	-1.3	1.0	1.1	-3.0	-8.7	-14.6	-10.6	-3.9	-4.4	-0.7	7.2	7.3	12.4	11.9	2.3

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By Sector

Construction

Number ('000)

	4Q 2018	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q^P
			2019				2020				2021				2022		
	-0.4	-	2.7	5.4	4.2	-5.9	-13.5	-16.8	-15.6	0.6	-5.0	-6.6	15.5	21.9	25.2	30.2	14.0

Services

Number ('000)

	4Q 2018	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q^P
			2019				2020				2021				2022		
Services	18.1	16.4	5.9	21.1	16.1	-16.6	-90.8	-3.3	18.5	17.1	-10.3	-1.0	31.6	18.0	33.3	41.3	35.5
Services (excl MDW)	16.8	13.7	6.5	16.8	14.4	-17.0	-81.0	2.0	18.4	15.3	-6.6	5.0	24.9	12.6	28.7	33.7	30.8

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

^{P}: Preliminary

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 of the end of the preceding period.
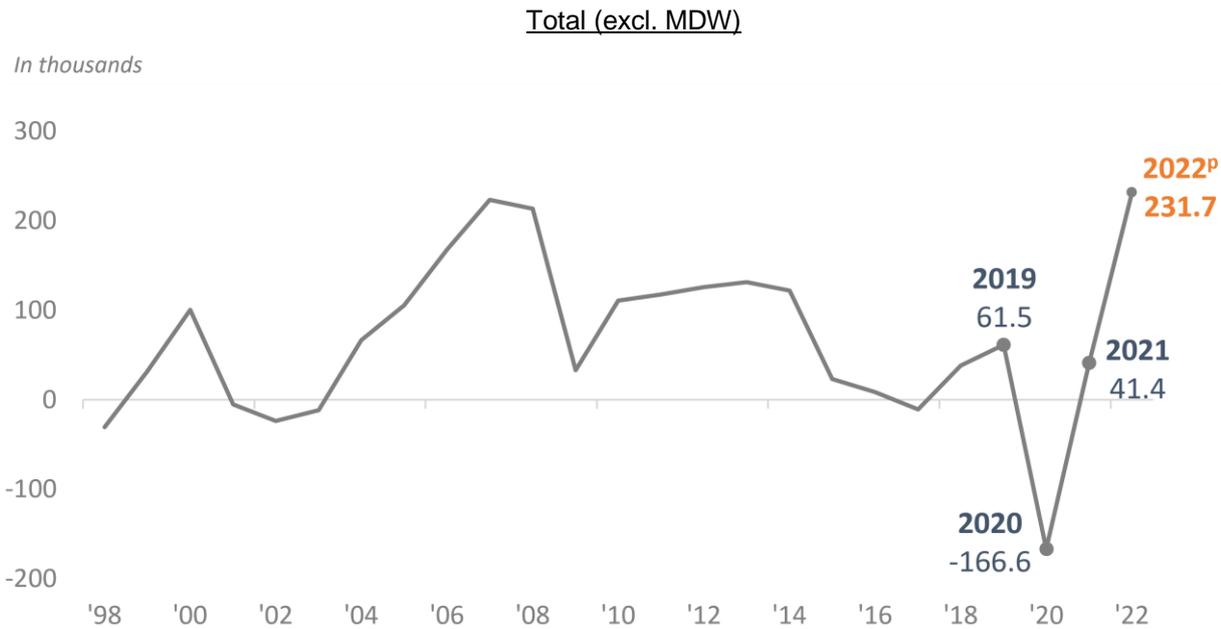(5) "-": nil or negligible

Full Year 2022

After the substantial decline during the peak of the pandemic in 2020, total employment grew by an unprecedented 231,700 in 2022 as the economy continued to recover. The increase was largely driven by non-residents, as travel restrictions were lifted in April 2022 and employers backfilled positions.

Resident employment also continued to grow, though at a slower pace than in 2021. The rise was observed across most sectors, particularly in outward-facing sectors such as *Financial Services* and *Information & Communications*, as well as in *Community, Social & Personal Services*.

Non-resident employment growth in 2022 was mainly in *Construction* and *Manufacturing* (excluding *Marine Shipyard*), sectors which are typically more reliant on non-resident manpower.

Chart 2	Annual Employment Change
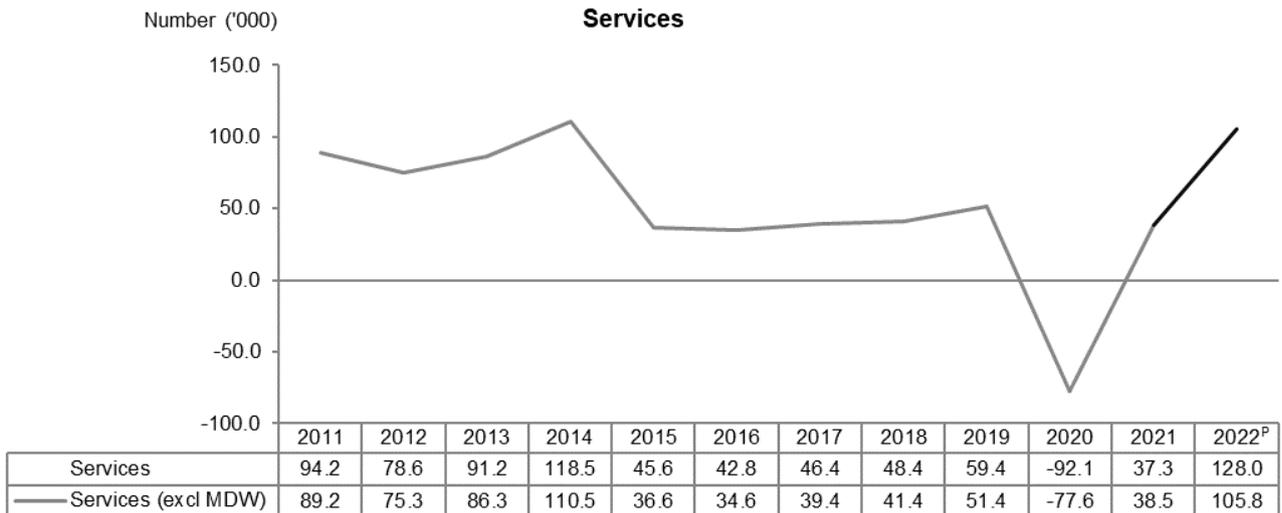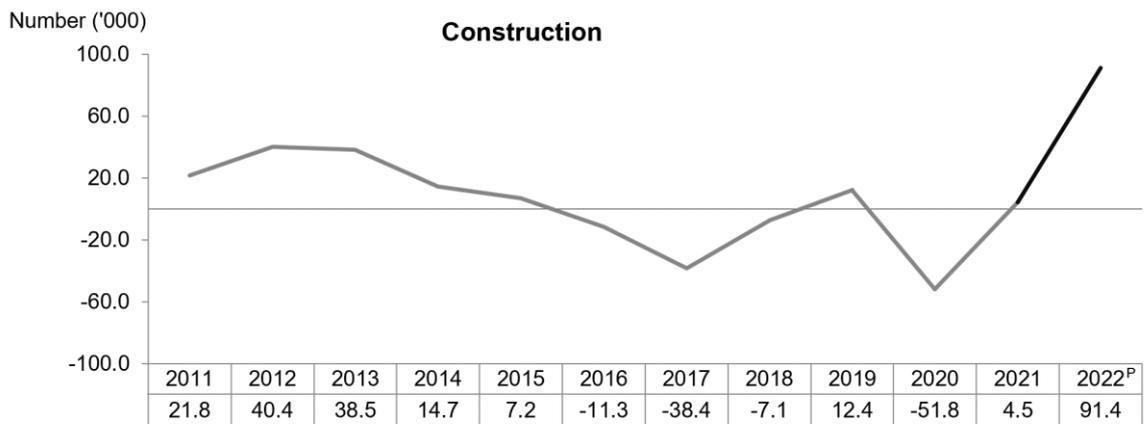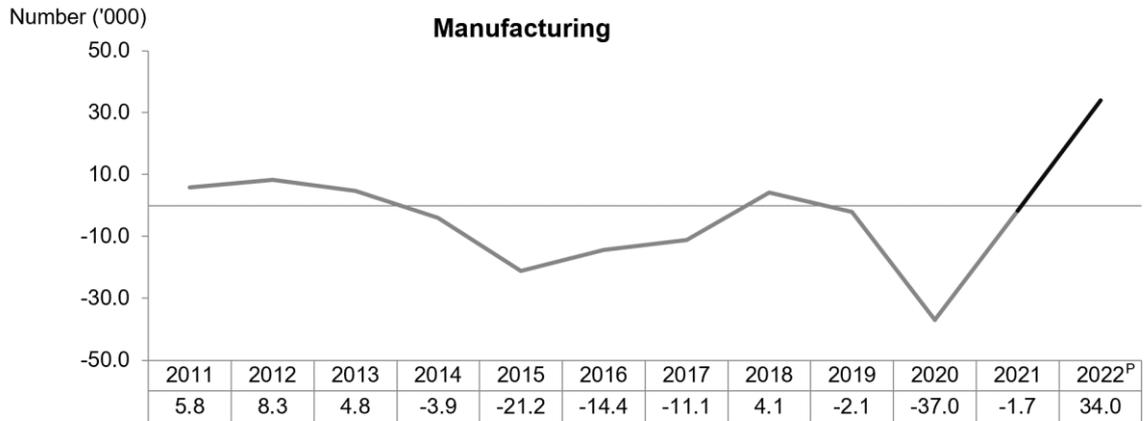
Total (excl. MDW)

In thousands

By Sector

Manufacturing

Number ('000)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022ᴾ
	5.8	8.3	4.8	-3.9	-21.2	-14.4	-11.1	4.1	-2.1	-37.0	-1.7	34.0

Construction

Number ('000)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022ᴾ
	21.8	40.4	38.5	14.7	7.2	-11.3	-38.4	-7.1	12.4	-51.8	4.5	91.4

Services

Number ('000)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022ᴾ
Services	94.2	78.6	91.2	118.5	45.6	42.8	46.4	48.4	59.4	-92.1	37.3	128.0
Services (excl MDW)	89.2	75.3	86.3	110.5	36.6	34.6	39.4	41.4	51.4	-77.6	38.5	105.8

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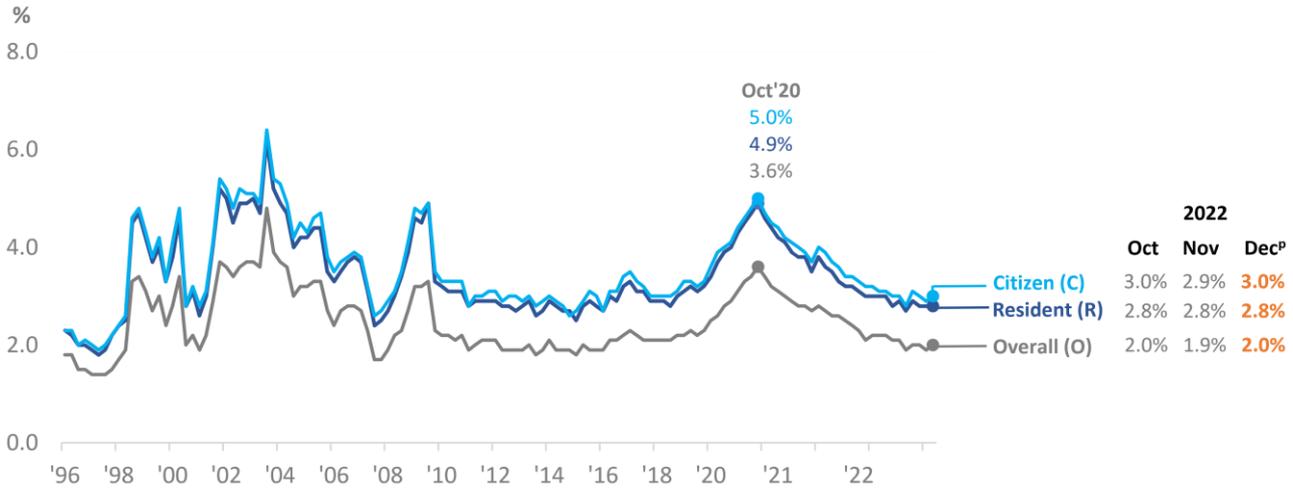
ᴾ: Preliminary

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 2015 before Dec 2016 and based on SSIC 2020 from Dec 2016 onwards.

(4) Employment change refers to the difference between employment level at the end of the reference period and that of the end of the preceding period.

Unemployment[P]

4Q 2022

Unemployment rates remained low in December 2022 (overall: 2.0%; resident: 2.8%; citizen: 3.0%), and were below pre-COVID levels.[6] Over the quarter, the number of unemployed residents fell from 70,800 in September to 67,400 in December 2022.

| Chart 3 | Unemployment Rates (Seasonally Adjusted) |

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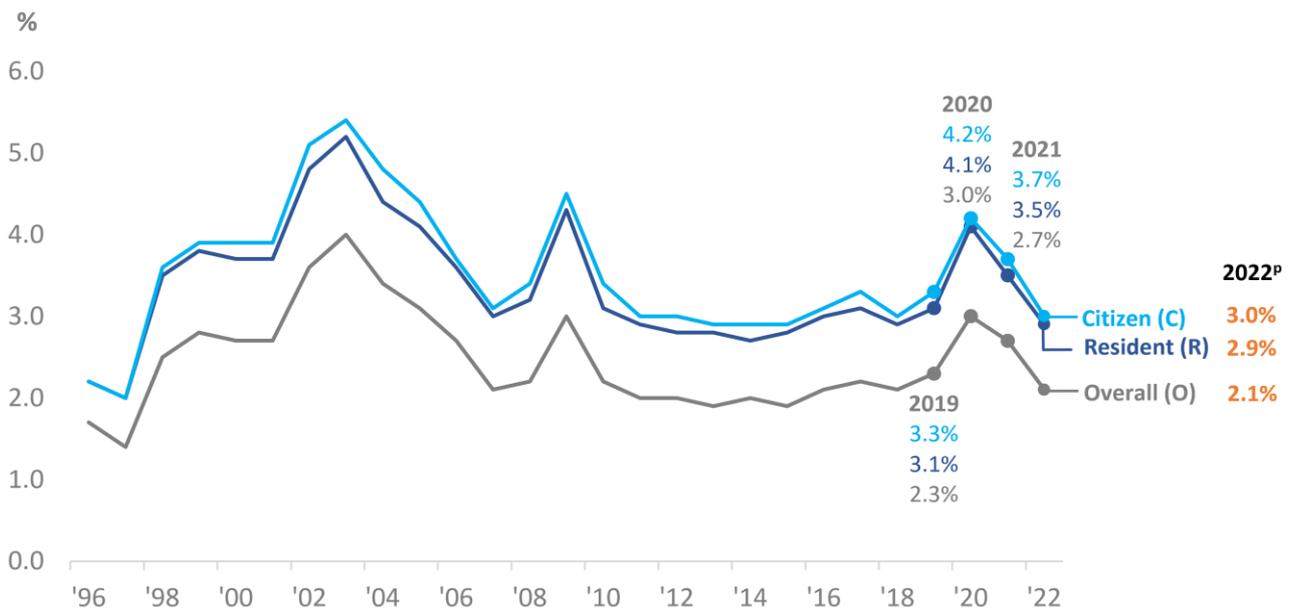
P: Preliminary

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[6] In the pre-COVID quarters of 2018 / 2019, the average unemployment rates were overall: 2.2%, resident: 3.0%, and citizen: 3.2%.

Full Year 2022

The tight labour market and sustained economic growth led to continued improvements in the unemployment situation to its pre-pandemic steady state. The annual average unemployment rates were significantly lower in 2022 compared to 2021 (overall: from 2.7% in 2021 to 2.1% in 2022; resident: from 3.5% to 2.9%; citizen: from 3.7% to 3.0%).

While unemployment rates could trend higher in 2023 with the recent uptick in retrenchments, it is expected to remain within its pre-COVID range.

| Chart 4 | Unemployment Rates (Annual Average) |

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

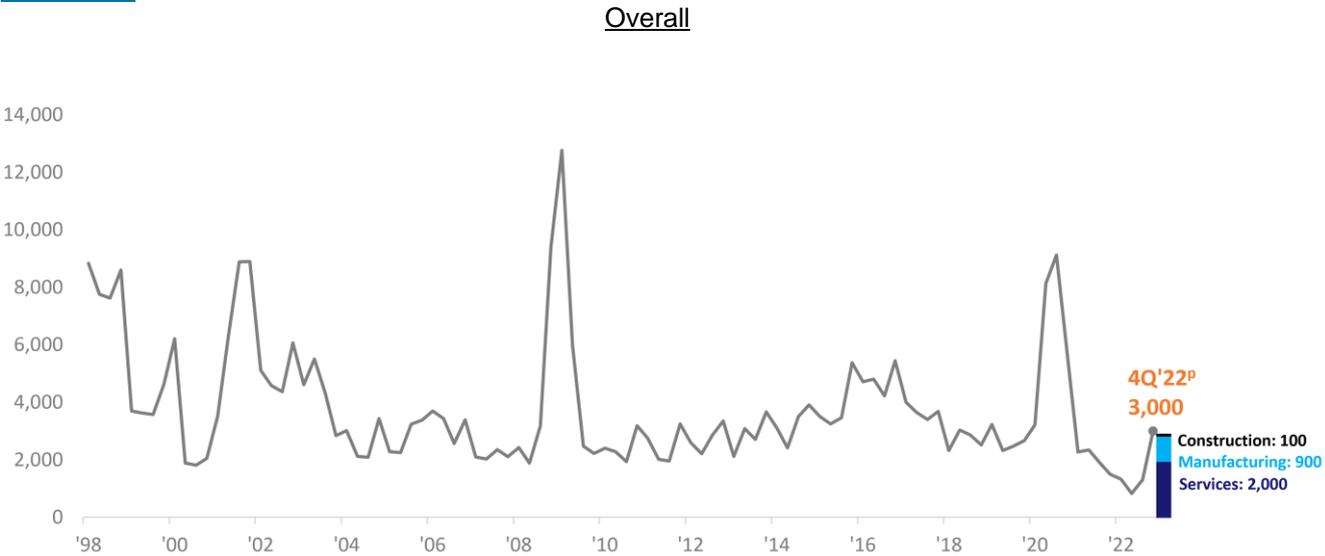P: Preliminary

Retrenchments[P]

4Q 2022

Based on preliminary estimates, the number of retrenchments is expected to increase to 3,000 in 4Q 2022[7], from the lows of the previous three quarters (between 800 and 1,300). Notwithstanding the rise, the level in 4Q 2022 remains within the quarterly range observed in 2019.[8]

The rise in retrenchments was mainly in *Electronics Manufacturing*, *Wholesale Trade* and *Information & Communications* as global demand weakened. The recent mass layoffs in the latter come amidst uncertain economic conditions and rising inflationary costs, in contrast to the sector's strong performance during the tech boom of the COVID pandemic years.

Business reorganisation/restructuring remained the top reason for retrenchments as firms streamlined their operations in anticipation of a slowdown in the economy. Retrenchments could still be elevated in the upcoming quarters as companies continue cost-cutting and restructuring measures in a bid for efficiency, but they are unlikely to spike as labour demand remains strong.

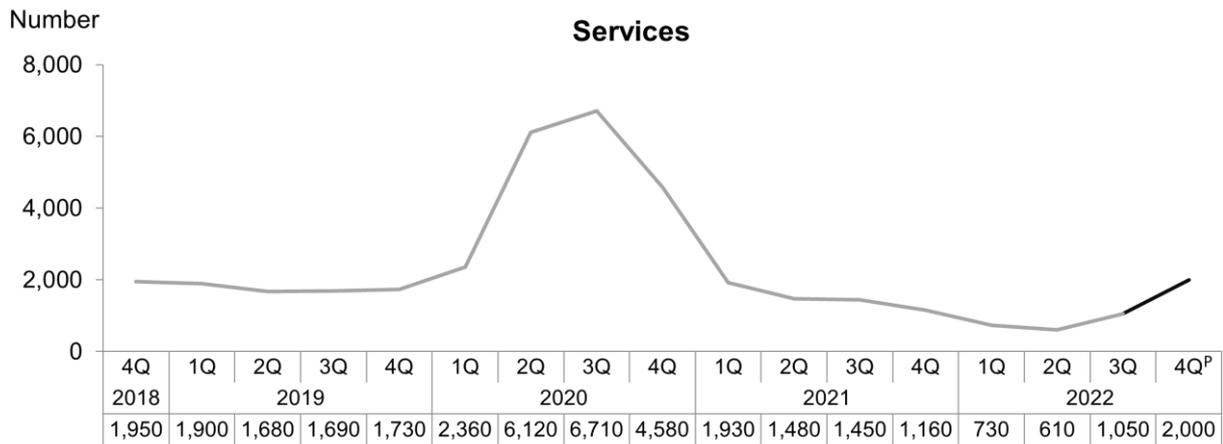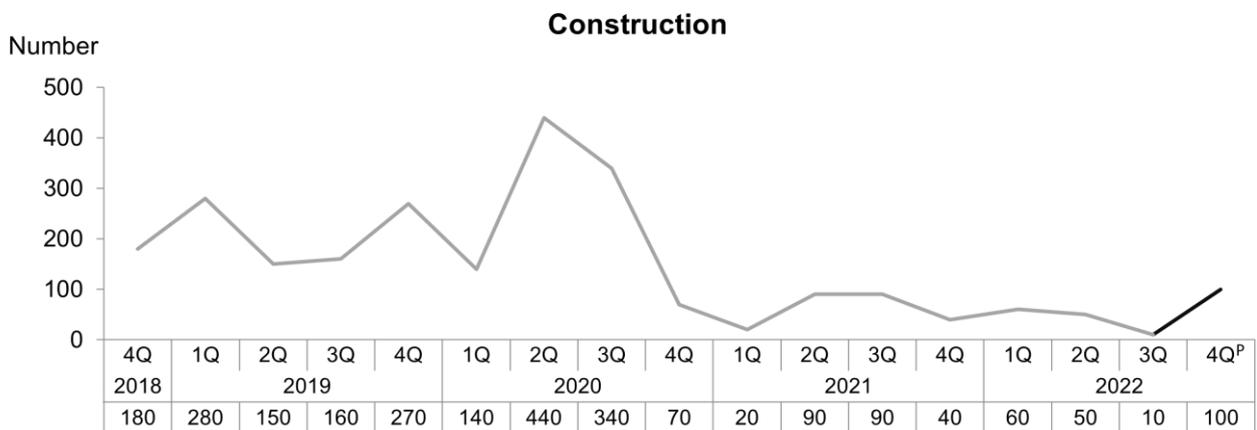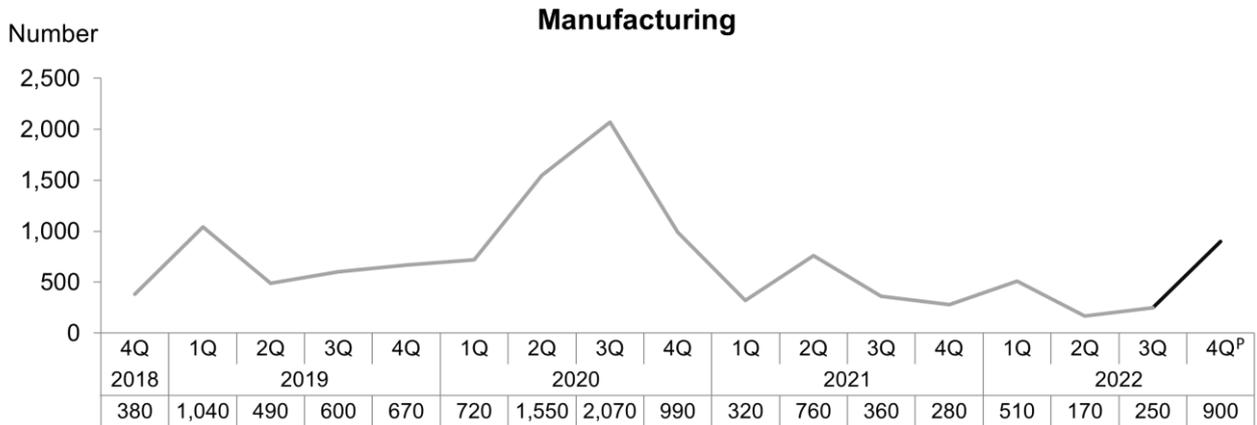| Chart 5 | Quarterly Retrenchments |

Overall

4Q'22[P]
3,000

Construction: 100
Manufacturing: 900
Services: 2,000

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[7] In 4Q 2022, 1.3 workers were retrenched per 1,000 employees, up from 0.6 in 3Q 2022.

[8] In 2019, quarterly retrenchments ranged from 2,320 to 3,230.

By Sector

Manufacturing

Number

	4Q 2018	1Q	2Q 2019	3Q	4Q	1Q	2Q 2020	3Q	4Q	1Q	2Q 2021	3Q	4Q	1Q	2Q 2022	3Q	4Q^P
	380	1,040	490	600	670	720	1,550	2,070	990	320	760	360	280	510	170	250	900

Construction

Number

	4Q 2018	1Q	2Q 2019	3Q	4Q	1Q	2Q 2020	3Q	4Q	1Q	2Q 2021	3Q	4Q	1Q	2Q 2022	3Q	4Q^P
	180	280	150	160	270	140	440	340	70	20	90	90	40	60	50	10	100

Services

Number

	4Q 2018	1Q	2Q 2019	3Q	4Q	1Q	2Q 2020	3Q	4Q	1Q	2Q 2021	3Q	4Q	1Q	2Q 2022	3Q	4Q^P
	1,950	1,900	1,680	1,690	1,730	2,360	6,120	6,710	4,580	1,930	1,480	1,450	1,160	730	610	1,050	2,000

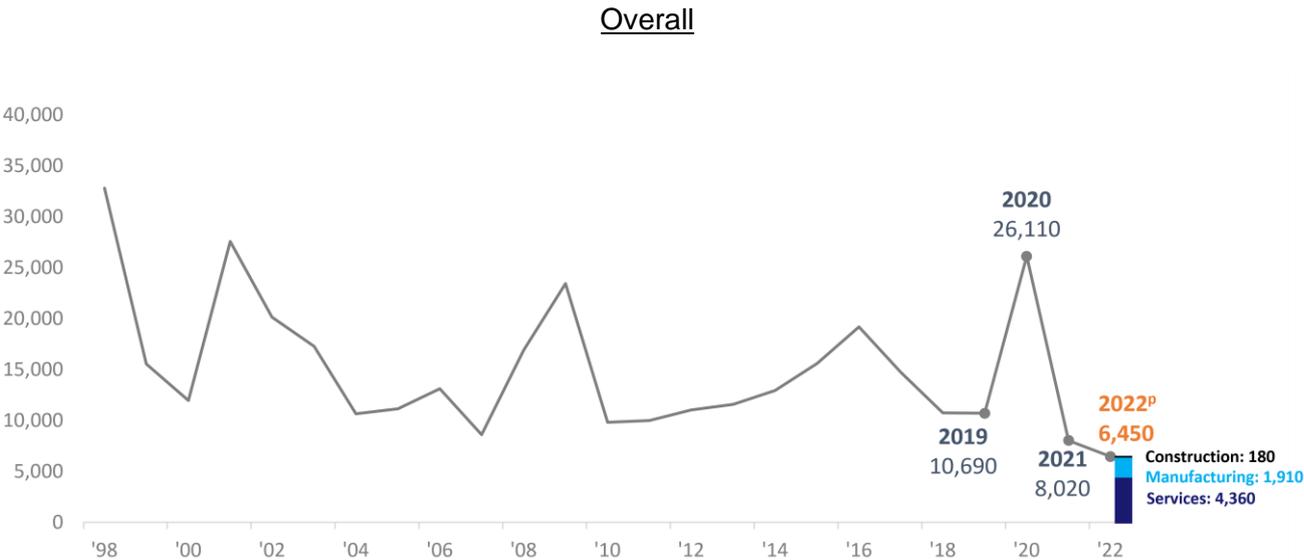Source: Labour Market Survey, Manpower Research & Statistics Department, MOM

^{P}: Preliminary

Notes:
(1) Before 2006, the survey covers private establishments with at least 25 employees. From 2006 onwards, the survey also includes the public sector comprising government ministries, organs of state and statutory boards.
(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.
(4) Data are rounded to the nearest 10. Hence, they may not add up due to rounding.
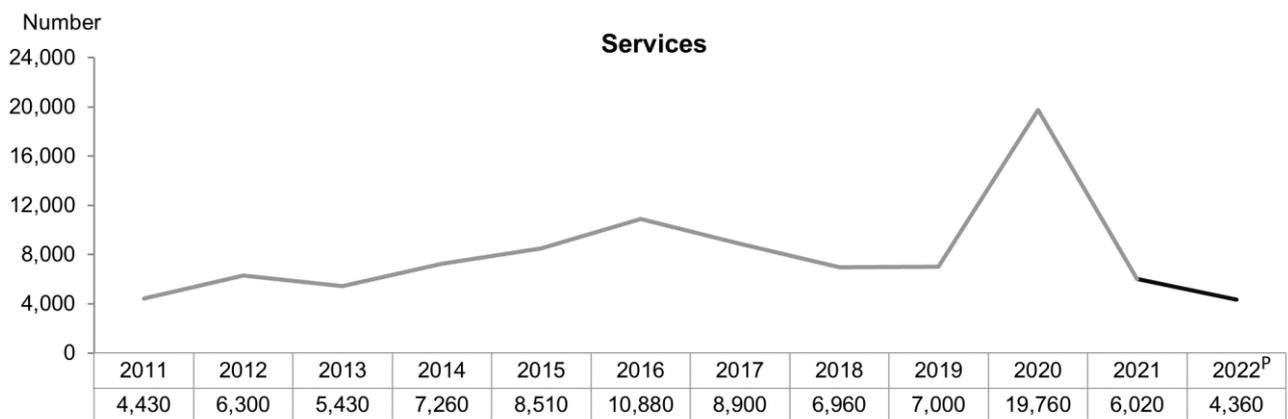(5) Revisions have been made to the 3Q 2022 figures, following clarifications with survey respondents.

Full Year 2022

Despite the rise in the last quarter of the year, the total number of retrenchments for the whole of 2022 (6,450) was lower than pre-pandemic levels.[9] Compared to the previous year, retrenchments declined in *Services*, and were broadly similar in *Manufacturing* and *Construction*.

Chart 6	Annual Retrenchments

Overall

By Sector

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 P
	4,460	4,050	5,000	3,970	5,210	6,280	3,790	2,570	2,790	5,320	1,710	1,910

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[9] The number of retrenchments were 10,730 and 10,690 in 2018 and 2019 respectively.
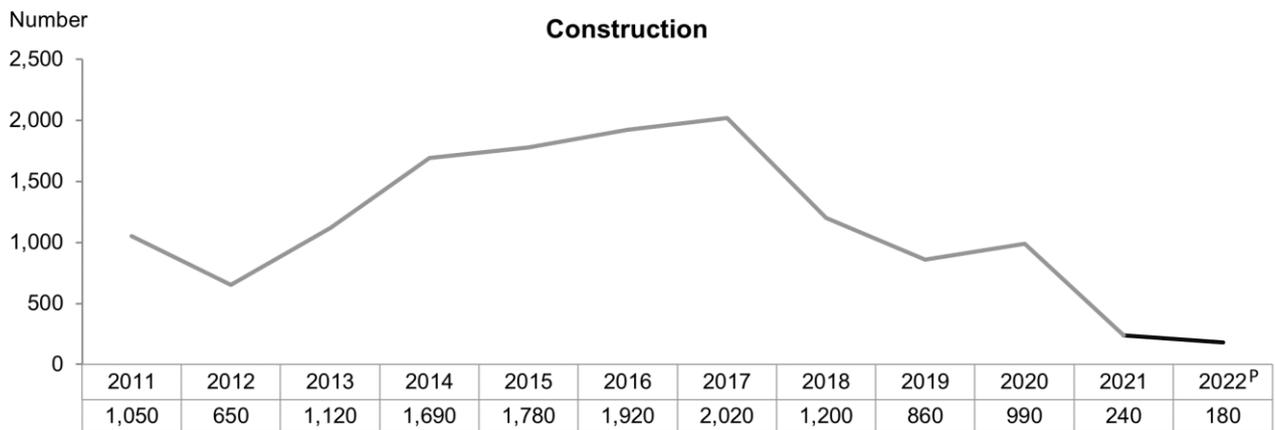
Construction

Number

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022^P
	1,050	650	1,120	1,690	1,780	1,920	2,020	1,200	860	990	240	180

Services

Number

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022^P
	4,430	6,300	5,430	7,260	8,510	10,880	8,900	6,960	7,000	19,760	6,020	4,360

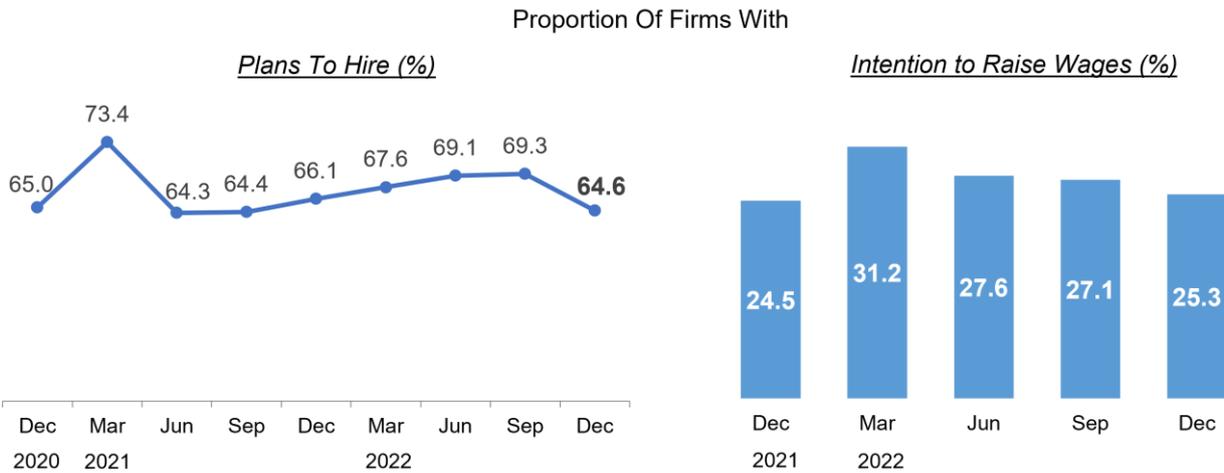Source: Labour Market Survey, Manpower Research & Statistics Department, MOM

^{P}: Preliminary

Notes:
(1) Before 2006, the survey covers private establishments with at least 25 employees. From 2006 onwards, the survey also includes the public sector comprising government ministries, organs of state and statutory boards.
(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.
(4) Data are rounded to the nearest 10. Hence, they may not add up due to rounding.

Forward-looking data based on company polls show that firms' hiring sentiments remain positive in the coming months. A majority of firms reported plans to hire more employees in the next three months, although this proportion dipped over the quarter.

The proportion of firms with intention to raise wages in the next three months fell slightly, and the risk of an ensuing wage-price spiral remains low. Firms could have become more cautious in recent months in view of the high inflation and geopolitical uncertainties.

Chart 7	Hiring and Wage Expectations for the Next Three Months

Proportion Of Firms With

Plans To Hire (%)

Dec 2020: 65.0
Mar 2021: 73.4
Jun: 64.3
Sep: 64.4
Dec: 66.1
Mar 2022: 67.6
Jun: 69.1
Sep: 69.3
Dec: 64.6

Intention to Raise Wages (%)

Dec 2021: 24.5
Mar 2022: 31.2
Jun: 27.6
Sep: 27.1
Dec: 25.3

Source: Manpower Research & Statistics Department, MOM

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

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.

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[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.

Retrenchments

Source

Labour Market Survey

Coverage

Before 2006, the survey covers private establishments with at least 25 employees. From 2006 onwards, the survey also includes the public sector comprising government ministries, organs of state and statutory boards.

Concepts and Definitions

Retrenchment refers to
  i)   termination of permanent employees due to redundancy; and
  ii)   early termination of term contract employees due to redundancy.
In the public sector, it includes those who left service under the Special Resignation Scheme[2].

Uses and Limitations

Data on retrenchment are useful in the analysis of re-structuring or ailing industries.

The number of retrenched persons (flow) should not be confused with persons unemployed (stock). Not all retrenched persons will be unemployed as some will re-enter into employment or decide to leave the labour force. If the persons have not found a new job and are actively looking and available for work, they join the pool of unemployed.

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[2] The Special Resignation Scheme (introduced in April 1988) allows redundant non-deployable Civil Service or Statutory Board employees to leave their organisations with compensation.

OTHER RELEASES

Title

Date of Release

UPCOMING ...

Title	Date of Release
Labour Market Report 2022	13-17 Mar 2023*
Job Vacancies 2022	27-31 Mar 2023*

PAST ...

Title	Date of Release
Labour Force In Singapore 2022	31 Jan 2023
Labour Market Advance Release 2022	31 Jan 2023
Labour Market Report Third Quarter 2022	15 Dec 2022
Labour Force In Singapore Advance Release 2022	1 Dec 2022
Labour Market Advance Release Third Quarter 2022	28 Oct 2022
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