

# **Country Report**

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**Singapore**

**by**

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## **Main Report**

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### **1. Introduction**

The Singapore economy did better than expected, growing by 5.7% (preliminary) in 2005. Growth was especially strong in the second half of 2005. The employment situation has also improved compared to the previous year, with employment gains during the first three quarters exceeding that for the whole of 2004. The unemployment rate in September 2005 was relatively unchanged compared with the same period in 2004.

The Government also made adjustments to the foreign worker dependency ceiling and foreign worker levy in line with improved economic conditions and also to introduce greater flexibility in the labour market. The levy for foreign domestic workers was also adjusted to encourage employers to employ higher quality maids and raise the quality of this workforce..

### **2. Domestic economy and labour market**

- Recent trends in domestic economy including economic policy and development strategy

Preliminary estimates show that the Singapore economy grew by 5.7% in real terms in 2005 (Ministry of Trade and Industry, Press Release, Advance GDP Estimates for Fourth Quarter 2005, 3 January 2006 [<http://app.mti.gov.sg/default.asp?id=148&articleID=1381>, downloaded 17 January 2006]). While this was higher than the 3-5% forecast by the Ministry of Trade and Industry, it was lower than the 8.4% recorded in 2004. Growth eased in the first quarter of 2005, as the momentum from 2004's economic recovery continued to subside. After a weak start to the year, however, unexpected growth of 7.2% and 7.7% (estimated) were recorded in the third and fourth quarters respectively. This growth was broad-based, including in the construction sector which has been recording negative growth rates for many quarters (see Table 1 below). Surges in the areas of pharmaceuticals,

transport engineering and electronics, and increases in activities in the stock broking and fund management sectors, wholesale and retail trade, tourism, and transport and communications contributed to growth in the manufacturing and financial sectors respectively in the second half of the year (“S’pore economy sparkles”, “Economists now expect S’pore to grow by over 5%” The Straits Times 18 November 2005; MTI Press Release 3 January 2006).

Table 1. Gross Domestic Product at 1995 Market Prices\*

	<b>2004</b>	1Q05	2Q05	3Q05	4Q05	<b>2005</b>
Overall GDP	<b>8.4</b>	2.7	5.2	7.2	7.7	<b>5.7</b>
Goods Producing Industries						
<i>Manufacturing</i>	<b>13.9</b>	3.2	5.8	13.2	11.5	<b>8.6</b>
<i>Construction</i>	<b>-6.5</b>	-5.6	-1.6	0.3	0.8	<b>-1.5</b>
Services Producing Industries	<b>7.5</b>	3.6	5.2	5.8	7.0	<b>5.4</b>

\* Figures show percentage change over corresponding period of previous year.

Source: MTI Press Release, 3 January 2006.

- Recent trends in domestic labour market including surplus workforce and domestic wage disparities

The first half of 2005 saw employment at an all-time high since the economic boom of 2000. This was the strongest showing in four and a half years, due to the economic upswing of the previous 18 months. Employment gains numbered 49,500, which was double the 24,600 figure over the same period in 2004. Cumulative employment gains of 78,000 were made by the end of the third quarter of 2005, surpassing the 71,400 for the whole of 2004.

Unemployment reached a seasonally adjusted overall rate of 3.3% (preliminary) in September 2005, down from 3.4% in the previous quarter but slightly up (by 0.3%) from the same time in 2004. In numerical terms, an estimated 69,400 were unemployed. The duration of unemployment among the resident population (comprising citizens and permanent residents) averaged 8.0 weeks as opposed to 12.0 weeks a year ago. The long-term unemployed (i.e. the proportion of the labour force unemployed for at least 25 weeks), consisting of job seekers aged mostly 40 and above and without secondary qualifications, remained unchanged from 2004 at 0.8%. Despite strong hiring, there was a rise in the laying-off of this category of workers at 2,810 retrenchments, up from 2,116 in April-June. Thus while there has been an overall fall in the unemployment rate, it is not seen as a significant enough drop as lower-educated workers still found it difficult to reconcile their skills with new jobs created. Over time, these job seekers are expected to pick up new skills and where jobs are redesigned to suit them, employment numbers should improve. [Sources: Ministry of Manpower Press Releases - Recent Trends in

Employment Creation, 20 October 2005

<http://www.mom.gov.sg/PressRoom/PressReleases/20051020+Recenttrendsinemploymentcreation.htm>, downloaded on 21 November 2005; Employment Situation in Third Quarter 2005, 31 October 2005

<http://www.mom.gov.sg/PressRoom/PressReleases/20051031Employmentsituationinthirdquarter.htm>, downloaded on 21 November 2005; Labour Market, Third Quarter 2005, 15 December 2005

<http://www.mom.gov.sg/PressRoom/PressReleases/20051215+LabourMarketThirdQuarter.htm>, downloaded on 20 December 2005].

Employment creation for the whole of 2005 is expected to match or even exceed the 108,500 jobs created in 2000 (Singapore Government Media Release, Prime Minister's New Year Message 2006 [<http://stars.nhb.gov.sg/data/pdfdoc/20051231998.htm>, downloaded 17 January 2006]).

### **3. Migration**

#### **(a) Number of foreign workers in country and trends in employment**

The foreign workforce in Singapore currently numbers about 620,000, comprising 72,000 employment pass holders; 540,000 work permit holders (including 150,000 domestic maids), and 8,000 S pass holders (Chew Soon Beng, Economic Resilience of the Singapore Economy and the Adequacy of the Social Security System, Paper prepared for the Singapore Perspectives 2006 conference organised by the Institute of Policy Studies, 12 January 2006). Employment pass holders are foreigners with acceptable degrees, professional qualifications or specialist skills and who command monthly salaries above S\$2,500; work permit holders are skilled or unskilled foreigners who can command monthly salaries of no more than S\$1,800; while S pass holders are those who can command monthly salaries of S\$1,800 and above but do not possess the educational qualifications for employment passes (Ministry of Manpower

[<http://www.mom.gov.sg/NR/rdonlyres/6F8D2FB5-30DA-466C-A2C1-D0C495EAE8C6/6131/AGeneralGuideonWorkPermits17Nov05.pdf>], downloaded 20 January 2006]).

For the first time in four years, foreign employment rose by 21,500 in 2004, making the foreign share of the employment market of 2,206,600 persons at 28.2%. This is largely unchanged from 28.1% in the previous year. The 30% increase in the foreign share of job gains is still however, significantly lower than the 61% experienced in the boom years of 1993 to 1997, a period where there were more jobs created than the locals could take on (Labour Market, 2004 report, Ministry of Manpower press release, 15 March 2005

[\[http://www.mom.gov.sg/PressRoom/PressReleases/20050315-LabourMarket2004Report.htm](http://www.mom.gov.sg/PressRoom/PressReleases/20050315-LabourMarket2004Report.htm), downloaded on 21 November 2005]).

(b) Number of emigrants and trends in their employment in foreign countries

There are no official data on the number of emigrants from Singapore although the stock of Singaporeans overseas is generally estimated to be between 100,000 and 150,000 (The Sunday Star Malaysia 30 January 2005). According to one report, “sizable” Singaporean communities are known to be in Australia, the US, UK and Asian countries like Hong Kong and China (“Flying off to where the jobs are” by Chuang Peck Ming, The Business Times, 9 August 2005 <http://business-times.asia1.com.sg/sub/supplement/story/0,4574,165421,00.html>, downloaded on 14 November 2005). These emigrants are mostly highly skilled professionals spread over a variety of industries. Most of the Singapore men tended to be in their forties who had been made redundant locally. The women tended to be singles in their thirties looking for a more adventurous lifestyle overseas. The trend picked up after the 1997 Asian Financial Crisis, when many older professionals lost their jobs, and after China’s 2000 World Trade Organisation entry, which opened the door to foreigners who were looking to make it in a rapidly rising economy. Another contributing factor was the increased number of young Singaporeans who went overseas for their education and chose to stay abroad after graduation.

(c) Trends in illegal immigration (number of persons and extent of illegal brokerage), over-stayers and number of illegal workers (also trend in detection of such persons)

The number of immigration offenders arrested was 11,790 in 2004 (Immigration and Checkpoints Authority (ICA) news release 17 February 2005 ([http://app.ica.gov.sg/pressrelease/pressrelease\\_view.asp?pr\\_id=252](http://app.ica.gov.sg/pressrelease/pressrelease_view.asp?pr_id=252), downloaded on 21 November 2005). Unlike in 2003 where the number of immigration offenders had dropped by a noteworthy 13% from the previous year, 2004 saw only a 0.5% drop over the same period of time. A total of 5,400 illegal immigrants were arrested during the year, representing only a 2% decline from 5,510 the previous year. The majority of illegal immigrants arrested were from India, Myanmar and the People's Republic of China – accounting for 78% of total illegal immigrants arrested. A total of 20 vehicles were seized for smuggling offences in 2004, down from 56 in 2001 and 43 in 2002.

In 2004 as well, 6,390 over-stayers were arrested, the majority (79%) of whom were from India, the People's Republic of China and Thailand. The number was slightly up from 6,340 in 2003.

The numbers of harbourers and employers arrested have been on a downward trend since 2001, totalling 250 and 220 respectively in 2004.

	2001	2002	2003	2004
<u>Total immigration offenders</u>	16,000	13,550	11,850	11,790
Illegal immigrants	10,400	7,860	5,510	5,400
Over-stayers	5,600	5,690	6,340	6,390
<u>Total harbourers and employers</u>	860	750	600	470
Harbourers	380	340	330	250
Employers	480	410	270	220
Vehicles seized	56	43	17	20

The food and beverage industry was most prone to such illegal activity. Inspections on restaurants and the like increased by 45%, from 243 in January to September 2004 to 353 for the same period in 2005. Correspondingly, the number of illegal workers arrested has also increased from 359 to 411 in the first nine months of 2005. From January to September of the year, 321 such employers were prosecuted for hiring illegal workers. (“52 foreign workers nabbed in raids on 13 coffee shops”, The Straits Times, December 2005).

The Immigration and Checkpoints Authority (ICA) also took action against the trend of vanishing Chinese tourists. According to the Singapore Tourism Board, China was one of the top two visitor-generating countries in 2004, with 880,000 visitors. In the same year, media reports indicated that six Singaporean travel agencies who specialised in the China market were blacklisted by the ICA as they apparently accounted for more than half of the tourists who “disappeared” after they entered the country (“Without A Trace”, Today, 22 November 2005).

- (d) Trends in remittances to home countries by nationals abroad and foreigners in the country

According to Jeremiaah M. Opiniano from the OFW Journalism Consortium, recent results from studies and surveys undertaken by the Asian Development Bank (ADB) in 2003 to 2004 on the remittances of Southeast Asian migrant workers disclosed that about two

million of them, largely women, remitted more than US\$3 billion from Japan, Hong Kong, Singapore and Malaysia annually, “on monthly averages ranging from of US\$300 to US\$500”.

The results from the survey of remitter-respondents in Singapore revealed the following:

Remittance-sending country – <b>SINGAPORE</b>	<b>Filipinos</b> (88% are women)		
Estimated remittances (US\$)	90% estimated volume	70% estimated volume	Weighted average
	331,796,694	258,064,095	
<i>Average amount sent, frequency of sending, and migrant population</i>	US\$294 average remittance, 14 times average frequency of sending, 90,000 migrants (90% of which is 81,000 and 70% of which is 63,000)		

Remittance-sending country – <b>SINGAPORE</b>	<b>Indonesians</b> (100% in Singapore are women)		
Estimated remittances (US\$)	90% estimated volume	70% estimated volume	Weighted average
	42,876,091	33,348,070	
<i>Average amount sent, frequency of sending, and migrant population</i>	US\$284 average remittance, 3 times average frequency of sending, 60,000 migrants (90% of which is 54,000, and 70% of which is 42,000)		

Remittance-sending country – <b>SINGAPORE</b>	<b>Malaysians</b> (26% in Singapore are women)		
Estimated remittances (US\$)	90% estimated volume	70% estimated volume	Weighted average
	316,929,387	246,500,634	

<i>Average amount sent, frequency of sending, and migrant population</i>	US\$385 average remittance, 6 times average frequency of sending, 165,000 migrants (90% of which is 148,500, and 70% of which is 115,500)
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The average remittance of a migrant worker from the Philippines was US\$294, that of an Indonesian worker was US\$284 and for a Malaysian, it was US\$385. A “high-end” estimate of the total amount remitted by these three groups amounted to US\$689 or S\$1.1 billion annually. However, Opiniano also noted in another report that the ADB estimates are “higher than the actual money that passed through banks in the Philippines”. Data reported by the Bangko Sentral ng Pilipinas (BSP) showed that Filipinos in Singapore remitted US\$133.365 million or S\$222.219 million in the first seven months of 2005. According to the ADB, the official data are likely to significantly underestimate of the actual numbers as there are many cases of undocumented remittances due to money being sent through improper channels (OFWJC Newspacket Volume 4 No. 8, 8 October 2005, “More remittances from women emphasize feminization of migration – ADB study” [<http://www.ofwjournalism.net/previousweb/vol4no8/prevstories481.php>, downloaded 21 November 2005]; “ADB estimates higher than actual OFW cash inflow”, [<http://www.ofwjournalism.net/previousweb/vol4no8/prevstories482.php>, downloaded 21 November 2005]). In the case of Bangladeshi workers, The Bangladesh Observer reported in April 2004 that according to the country’s High Commissioner to Singapore, the official monthly remittance from Singapore to Bangladesh was about Taka10 crore (US\$1.5 million or S\$2.5 million). This again is expected to be an underestimate, with unofficial remittances estimated to be “thrice the figure”. Underpinning this report, Agrani Exchange House, a subsidiary of Agrani Bank (a leading nationalised commercial bank in Bangladesh) revealed in a press release that it sent Taka147.15 crore (US\$22.3 million or S\$37.1 million) in remittances from Singapore to Bangladesh (“Singapore now poised to relax policy of importing manpower from Bangladesh Nesar Ahmad back from Singapore”, The Bangladesh Observer 22 April 2004 [<http://bangladesh-web.com/view.php?hidDate=2004-04-22&hidType=BAE>, downloaded on 21 November 2005]; “Agrani Exchange sends Tk 147.15cr remittance in '04 from Singapore”, The Daily Star (Bangladesh) 7 February 2005 [<http://www.thedailystar.net/2005/02/07/d50207050861.htm>, downloaded 21 November 2005]).



(e) Trends in social integration of foreigners in country (including social protection)

As reported previously, foreigners working in Singapore are given the same social protection under Singapore's labour laws as local workers. These laws include the Employment Act and the Workmen's Compensation Act (Ministry of Manpower, Fact Sheet in Response to Human Rights Watch Report, 7 December 2005 [<http://www.mom.gov.sg/PressRoom/PressReleases/Archived2005/20051207+FactSheetinResponseToHRWReport.htm>, downloaded 18 January 2006]). These Acts cover work conditions including prompt payment of salaries, provision of rest days, etc. However, professionals, managers and executives, domestic workers and seamen, *whether foreign or local*, are not covered by these Acts.

Foreign domestic workers in Singapore are also given protection under the Women's Charter which provides protection against sexual abuse, trafficking, harbouring or detention for prostitution. Moreover, the Penal Code was enhanced in 1998 with penalties for maid abuse increased to one and half time that for similar offences made against any other person. Convicted employers and their spouses are also permanently barred from employing another maid. All employers are required to purchase a S\$10,000 personal accident insurance before they are allowed to bring in a foreign domestic worker.

Foreigners who work in Singapore and their employers, however, do not contribute to the old-savings scheme, the Central Provident Fund, which is mandatory for Singapore citizens and permanent residents.

Civic organisations such as the Humanitarian Organisation for Migration Economics (HOME), Transient Workers Count Too (TWC2) and the Archdiocesan Commission for the Pastoral Care of Migrants and Itinerant People (ACMI) look out for the welfare of foreign workers in Singapore. Their aim is to raise adequate awareness of the problems foreign workers face and promote more ways of helping them seek help when they need it ("Maid abuse cases declining", The Straits Times 25 November 2005; "Report grossly exaggerates abuse", The Straits Times 7 December 2005).

(f) Policy changes and trends in policy debate regarding migrants and their employment (including policies on preventing illegal employment, facilitating entry of highly skilled workers, remittances to home countries, social integration, encouraging migrants' return to home countries and deportation)

*Short-term employment pass*

This pass is meant for foreigners who wish to work in Singapore on a specific project or assignment up to a maximum of one month. It is applicable to those who earn a monthly basic salary above S\$2,500 and hold acceptable tertiary or professional qualifications. The pass is issued on a one-time basis and strictly non-renewable.

*Changes to Dependency Ceilings (DC) and levies*

The Dependency Ceiling refers to the number of work permit holders a company can hire in its total workforce. The Ministry of Manpower (MOM) decided to increase the DC level to 60% from 50% and 40% from 30% for the manufacturing and services sectors respectively from 1 July 2005. Employers will, however, have to pay a higher levy rate of \$500 for every foreign worker employed above those levels of 50% and 30% for each sector. This move is expected to provide more operational flexibility for companies but also ensure “judicious use” of such workers by narrowing the gap between them and locals.

In 2005, the foreign worker levy for skilled foreign workers in all sectors was also raised progressively, from \$50 to \$80 on 1 July and further to S\$100 from 1 January 2006. The levies were substantially reduced in 1998 and again in 1999 due to the economic crisis but in light of the economic recovery, the government felt it was time to gradually restore it to the pre-1998 levels.

On the other hand, the levy for foreign domestic workers (or maids, for short) was reduced by S\$50, from S\$345 to S\$295, effective 1 April 2005. The lower maid levy is expected to help employers pay more for better quality maids. The reduction will also apply to the concessionary levy (designed as part of the package to encourage and support marriage and family formation in Singapore effected 1 August 2004). This will complement the government’s measures to help raise the quality of the workforce.

*Monthly rest day for maids*

From January 2006, maids signing new contracts will be entitled to one day off each month. However, this will still be just part of the individual work contract between them and their employers. The maid will have to initiate action to enforce it. It can also be commuted into an overtime payment.

*Changes in age and educational criteria for new foreign domestic workers*

Keeping in line with the aim to improve the foreign domestic worker (FDW) workforce, entry tests are now administered to verify that there is an understanding of basic safety instructions and the possession of some numeracy and literacy skills to perform household tasks. Passing the test (i.e. scoring 50% or more) is a mandatory requirement and new FDWs must do so within three working days of their arrival in Singapore. Employment agencies will not be allowed to place these FDWs until they pass the test, and should they fail to pass within the three working days, they will have to be repatriated. The minimum age of

new FDWs have also been increased from 18 to 23 years. In addition to that, maids must also have completed at least eight years of formal education.

Responding to an article in The Jakarta Post on 24 May 2005 about deaths of Indonesian FDWs occurring from falls from high-rise buildings, the Ministry of Manpower noted that several new measures have been put in place to improve the safety of all FDWs in Singapore. Since April 2004, all first-time FDWs are required to attend a compulsory safety-awareness course which covers topics such as the hazards of working in an urban high-rise environment and highlights the necessary safety precautions to be taken. The other measures are those mentioned previously (Source: MOM Press Reply 25 May 2005 [<http://www.mom.gov.sg/PressRoom/PressReplies/20050525-SporeEmbassyreplytoJP.htm>], downloaded on 21 November 2005).

#### *Employment Agencies*

The Ministry of Manpower reiterated that it was the responsibility of employment agencies (EAs) to ensure that new FDWs met the minimum age requirement of 23 years. Should an underaged FDW be brought into Singapore, the EA was required to bear the full cost of repatriation. Any EA who breached this condition faced stern action, including revocation of their license. In December, the ministry made an example of an EA who had repeatedly breached regulations. The agency had failed to provide acceptable housing for its charges and in a separate incident, withheld the passports of FDWs placed by them. The EA had also failed to repatriate a FDW within the stipulated deadline after her work permit was revoked. [Sources: Ministry of Manpower Press Reply to “Agency did not verify maid’s age” 27 September 2005 [<http://www.mom.gov.sg/PressRoom/PressReplies/20050927+underagedmaid.htm>], downloaded on 21 November 2005]; Ministry of Manpower Press Release 22 December 2005 [<http://www.mom.gov.sg/PressRoom/PressReleases/20051222+Revocationof+EALicense.htm>], downloaded on 22 December 2005.]

#### *Concern over displacement of locals*

As part of the continuing action taken to ensure that locals are not displaced by foreign workers, the Ministry of Manpower and the Singapore Workforce Development Agency (WDA) will continue to help employers to improve their local recruitment efforts and to develop more training programmes for locals, especially the older and lower-skilled ones, to better their skills. In a May Day Rally speech, Prime Minister Lee Hsien Loong urged lower-skilled workers not to shun jobs that are traditionally thought of as unattractive as they will then go to foreigners (“More jobs and help for Singaporeans” 1 May 2005 [<http://www.pap.org.sg/articleview.php?folder=PT&id=166>], downloaded on 1 December 2005). In another speech later in the year, Mr Lee elaborated on the government’s plans to change the mindset of locals and emphasised the importance of job re-designing, citing the

Ministry of the Environment's '1000 for 1000' plan, where 1,000 jobs were re-designed to pay at least a \$1,000 wage, a successful example. Cleaners at food centres were given proper tools to work with, uniforms and meal coupons. There was also a designated rest area. As compared to 30% of locals working as cleaners 18 months before, locals now made up 76% (Speech by Prime Minister Lee Hsien Loong at the Tripartite Forum on Job Re-Creation, 5 March 2005 [<http://app.wda.gov.sg/speech.asp?speechid=351>], downloaded on 21 November 2005]).

(g) Trends in overseas employment placement services

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(h) Trends in job creation policy (e.g. in public sector, grants for job creation in the private sector)

In recent years, much of the job growth in Singapore has been driven by the professionals, managers, executives and technicians (PMETs) level. As competition becomes tougher and technology becomes more advanced, low value-added activities are being slowly phased out by more high-end and knowledge-intensive activities and there is a re-structuring of the economy. The government intends to continue to promote and attract new investment as that is an obvious avenue for job creation. However, it is also mindful of the need to tackle the structural causes of unemployment. Hence job *re*-creation is one of its concurrent strategies. The National Trade Union Congress (NTUC) started a Job Re-Creation Programme (JRP) in March 2005 where old jobs were re-designed to make them more attractive and Singaporeans re-trained for these jobs. Seen as a win-win situation for both employers and potential employees, the programme has seen more than 6,400 jobs in 13 domestic bound sectors identified and more than 3,500 job seekers finding work since its launch. The security sector is fairly successful, with around 1,200 placed in new jobs in this area of work, under JRP (MOM Press Release - Recent Trends in Employment Creation, 20 October 2005

[<http://www.mom.gov.sg/PressRoom/PressReleases/20051020+Recenttrendsinemploymentcreation.htm>], downloaded on 21 November 2005]; Speech by Mr Wong Kan Seng, Deputy Prime Minister and Minister For Home Affairs 7 November 2005 [<http://app.sprinter.gov.sg/data/pr/20051107996.htm>], downloaded on 21 November 2005]).

(i) Latest research/statistics on international migration

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(j) International cooperation on international migration (including development of human resources e.g. training programmes)

Singapore continues to offer technical assistance in the form of training and skills development to developing countries through its Singapore Cooperation Programme (SCP), under the Ministry of Foreign Affairs (<http://www.scp.gov.sg/scpwhat.html>). Bilateral and third country training programmes are available. In 2000, Singapore launched the Initiative for ASEAN Integration to mobilise resources from the more developed ASEAN members to assist the newer ASEAN countries in their human resource development. So far, Singapore has set up four training centres, one each in Cambodia, Laos, Myanmar and Vietnam. Singapore also conducts study visits for SCP participants. It also offers bond-free Singapore Scholarships at Singapore's main universities to nurture the youths of ASEAN member countries who are then expected to return to serve their home countries upon graduation.

The Ministry of Manpower issued about 3,000 training passes this year, twice as many as in 2003, to foreign students on short-term work attachments, mainly in the services sector. Over the last two years, 1,000 foreign students have been in Singapore on attachments. 70% are from the Philippines and 30%, from China. Besides these, there are also foreigners coming into the city to take up hospitality courses in private schools, which revealed that enrolment has gone up by 20 to 30% in the last two years. (Source: "Foreign students flock to Singapore for training in service industry", [channelnewsasia.com](http://www.channelnewsasia.com/stories/singaporelocalnews/view/181922/1/.html), 4 December 2005 [<http://www.channelnewsasia.com/stories/singaporelocalnews/view/181922/1/.html> 4 December 2005, downloaded on 27 December 2005]). Singapore's reputation as a cosmopolitan city is certainly a plus point for foreign students who wish to be exposed early on to an international arena and the upward numbers suggest that the government is more than willing to take in and help nurture such young talent.

(k) Bilateral labour agreement: 1) whether your country has concluded any bilateral labour agreements; 2) which ministry or body is responsible for concluding such agreements; 3) with which sending or receiving countries your country has concluded bilateral labour agreements; 4) what type of agreement your country manages to conclude with sending or sending countries; 5) the volume of migrants and the type of industries which are covered under those agreements; and 6) the impact of such agreements on labour markets.

#### **4. Outlook for economic and migration policies and their likely impact**

The Singapore economy is expected to grow 3%-5% in 2006 (Ministry of Trade and Industry, Economic Survey of Singapore Third Quarter 2005

[[http://app.mti.gov.sg/data/article/821/doc/ESS\\_2005Q3\\_Ch4.pdf](http://app.mti.gov.sg/data/article/821/doc/ESS_2005Q3_Ch4.pdf), downloaded 18 January 2006]). This is on the strength of the “sanguine” outlook for the global economy and the electronics industry externally, and projected increase in domestic demand due to improved labour market conditions and low inflation. Rising oil prices, tightening monetary conditions in the developed countries affecting real estate prices and potential outbreak of the avian flu are factors that could disrupt growth.

On the manpower front, a survey carried out by US-based Manpower, an employment services firm indicates that the outlook for the first quarter of 2006 is on the upside. Net employment, which is the difference between the percentage of employers looking to hire and the percentage planning to cut jobs, for January to March, is estimated at 9 %, one percentage point higher than the same time in the previous year. Another survey showed more than half of 500 employers it polled intended to hire as of July, which could bring employment numbers down in the third quarter. The finance, insurance and real estate sectors are expecting to see a jump in employment gains, with a net employment outlook of 13% (“S'pore employers more upbeat on hiring”, The Business Times, 13 December 2005).

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