

September 2007

Singapore economy adds some 13,800 jobs in first six months

SINGAPORE: Singapore's strong economic growth has led to some 113,800 jobs being created in the first half of this year.

Employment growth during that period was some 40% higher than the 81,500 new jobs created in the same period last year.

Wages are also on the upswing, with average monthly earnings rising by 8.5% in the second quarter.

That is up from the 5.5% growth posted in the previous quarter.

The increase is the highest registered since the last economic boom in 2000, when earnings rose by 8.9%.

The strong growth came on the back of a robust second-quarter employment figure.

Total employment rose by an all-time quarterly high of 64,400 in the three months to June, surpassing the 49,400 workers hired in the first quarter and 36,400 in the second quarter of last year.

Total employment in the second quarter was revised upwards from the preliminary figure of about 62,000.

Releasing the updated data on Friday, the Manpower Ministry said last year's strong labour market performance has continued to this year.

Among the robust growth: overall unemployment rate dropped to 2.3% in June, fewer workers were retrenched and the number of job vacancies had increased.

A total of 1,918 workers were retrenched in the June quarter, significantly lower than the 3,263 laid off in the same period last year, MOM said.

Labour productivity also went up marginally, by 0.4% in the second quarter, ending the decline in productivity recorded in the previous two quarters.

MOM said that with a tightening labour market, cost pressures continue to rise, but it is at a more moderated pace with the improvement in productivity.

After expanding 7.9 per cent in 2006, Singapore's economy sustained the growth to grow 6.4 per cent in the three months to March and a better-than-expected 8.6 per cent in the June quarter.

This prompted the Ministry of Trade and Industry to upgrade its 2007 forecast for GDP to grow between 7.0 and 8.0 per cent, from 5.0 to 7.0 per cent. - *CNA/ir*