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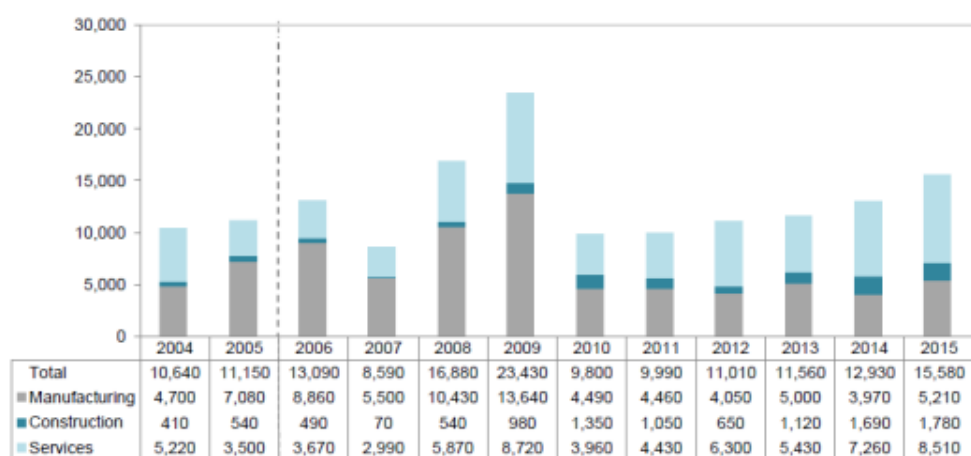
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**Redundancies rose for the 5th straight year****Wednesday, 20 April 2016**

- Redundancies rose for the 5<sup>th</sup> straight year to 15,580 in 2015, attributed to ongoing business restructuring, the economic slowdown (particularly for the manufacturing and construction firms) and global economic uncertainties. Basically there were 7.4 workers made redundant for every 1,000 workers, which is the 4th straight year of increase, albeit it is still well below the cyclical highs seen during the GFC at 11-14 handle for 2008-2009.
- Layoffs rose across the board for all sectors including services (+17% yoy to 8,510) and manufacturing (+31% yoy to 5,210). The re-entry rate also dipped, with 8 in 10 residents securing their new job within three months which is broadly similar to past cohorts, albeit most changed industry from the one they were made redundant from. This suggests the Singapore economy remains in a state of flux amid the domestic economic restructuring and the global/regional headwinds which continue to exert a drag.
- By residential status, resident redundancies rose 26% yoy to 9,090 in 2015, accounting for 58% of total redundancies, but normalising by their share of employment was equivalent to 7.1 per 1,000 employees. Among residents made redundant, those aged 40 and above formed the bulk (65%) and PMETs remained more vulnerable to redundancy (accounting for 8.9 layoffs per 1,000 employees compared to the overall 7.4) since 2012, particularly for professional services, wholesale trade, financial & insurance services and manufacturing, and also took longer to find a new job.
- However, the domestic labour market is softening from a strong position, with the unemployment rate still low and vacancies still outnumbering job seekers, so there is no need to panic yet. However, employers' hiring intentions and wage expectations are likely to be moderated in 2016. The need to reskill and up-skill PMETs also remains urgent, and this is probably where the SkillsFuture initiative comes in handy, given that the bulk of PMETs made redundant were mostly tertiary educated (82%) of which mainly degree-holders (61%), and competition for jobs among degree holders remained strong.

## Number of Workers



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

## Notes:

- (1) Before 2006, data pertain to private sector establishments each with at least 25 employees. From 2006 onwards, data also include the public sector.
- (2) Industries are classified based on SSIC 2010 for 2006 to 2015 and previous editions of SSIC for the earlier years.
- (3) Figures for each year may not add up to the total due to the exclusion of 'Others'.
- (4) Data pertaining to share of redundancy are at Annex – Chart A5.

Table A1: Workers Made Redundant by Sector and Reasons for Redundancy, 2015

REASONS	Per Cent			
	Total	Manufacturing	Construction	Services
<b>Total redundancy</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Restructuring of business processes for greater work efficiency	31.9	33.3	8.7	36.1
Recession/downturn in the industry	30.8	38.6	59.1	19.6
Poor business / business failure not due to recession	26.1	25.5	51.7	20.9
Reorganisation of businesses (e.g. merger or change in internal management)	23.9	16.1	6.0	32.6
High labour cost	22.6	24.1	51.3	15.9
High operating cost other than labour cost	16.1	20.6	26.1	11.2
Product line was discontinued	6.9	17.7	1.2	1.5
Early completion of project	5.0	1.5	21.2	3.5

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

## Notes:

- (1) Data pertain to private sector establishments each with at least 25 employees and the public sector.
- (2) Establishments can indicate more than one reason.
- (3) Shaded cells indicate the top reason for redundancy in the sector.

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