

3 ECONOMIC CHARACTERISTICS

The Labour Force

Faster Growth of Female Labour Force

Singapore's total labour force numbered 2.37 million in June 2005 (Table 1). Compared with 2000, the total economically active population increased by 1.5 per cent per annum.

The resident labour force (comprising economically active Singapore citizens and permanent residents) expanded at a quicker pace of 2.0 per cent per annum in the last five years. The growth rate was higher for females than males.

Table 1 Persons Aged 15 years and Over by Sex and Activity Status

	Total			Residents		
	2000	2005	Average Annual Growth	2000	2005	Average Annual Growth
	Number ('000)		(%)	Number ('000)		(%)
Total	3,197.3	3,509.9	1.9	2,494.6	2,770.3	2.1
Economically Active	2,192.3	2,367.3	1.5	1,576.6	1,744.8	2.0
Economically Inactive	1,005.0	1,142.6	2.6	918.0	1,025.5	2.2
Males	1,633.1	1,759.3	1.5	1,229.8	1,357.4	2.0
Economically Active	1,324.3	1,376.5	0.8	941.8	1,009.9	1.4
Economically Inactive	308.8	382.8	4.4	288.0	347.5	3.8
Females	1,564.2	1,750.6	2.3	1,264.9	1,412.9	2.2
Economically Active	868.0	990.7	2.7	634.8	734.9	3.0
Economically Inactive	696.2	759.9	1.8	630.1	678.0	1.5

Increase in Female Labour Force Participation Rate

Singapore's overall labour force participation rate declined between 2000 and 2005 (Table 2). The labour force participation rate for males declined, whereas that for females increased.

Table 2 Labour Force Participation Rate

	Per Cent			
	Total		Residents	
	2000	2005	2000	2005
Total	68.6	67.4	63.2	63.0
Males	81.1	78.2	76.6	74.4
Females	55.5	56.6	50.2	52.0

The decline in the resident male labour force participation rate was partly due to changes in the age structure between 2000 and 2005 (Table 3). Compared with 2000, a higher proportion of resident males in 2005 were aged 55 years or older. The older males tend to have lower participation rates than the younger ones.

The ageing of the female resident population also had a dampening effect on the resident female labour force participation rate. However, as there was a strong increase in the age-specific labour force participation rates, the net effect was an overall increase in the female labour force participation rate between 2000 and 2005.

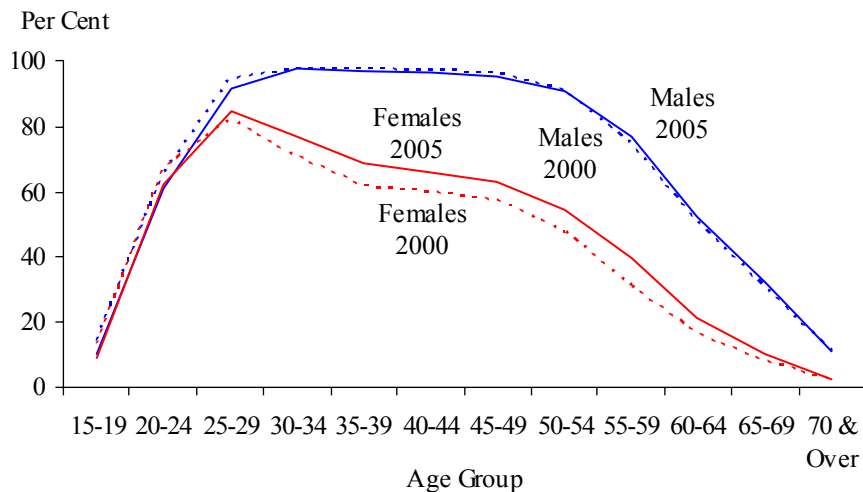
Table 3 Contribution to Change in Resident Labour Force Participation Rate

	Percentage Points		
	Change in Overall Participation Rate	Change Due to Variations in	
		Age Structure	Age-Specific Participation Rates
Males	-2.2	-1.3	-0.9
Females	1.8	-1.9	3.7

More Economically Active Females in Prime Working Ages

The increase in female participation rates occurred in all age groups except 15-24 years (Chart 1). The strong increase in the female participation rates was largely due to the increased tendency of married females to re-enter the labour market. With the increased propensity of young adults to continue full-time studies, the labour force participation rate of both males and females in the age group 15 – 24 years declined in the last five years.

Chart 1 Age-Sex Specific Labour Force Participation Rates of Resident Population



Employment

In 2005, there was a total of 1.65 million resident working persons (Table 4). Compared with 2000, the number of resident working persons expanded by 2.1 per cent per annum. This was faster than the increase of 0.2 per cent per annum for non-resident working persons. Consequently, the share of residents among total working persons increased from 71 per cent in 2000 to 73 per cent in 2005.

Table 4 Working Persons Aged 15 Years and Over by Residential Status

	Number ('000)		Per Cent		Average Annual Growth (%)
	2000	2005	2000	2005	
Total	2,094.8	2,266.7	100.0	100.0	1.6
Singapore Residents	1,482.6	1,647.3	70.8	72.7	2.1
Non-Residents	612.2	619.5	29.2	27.3	0.2

Increased Employment Share of Services Industries

The services sector has grown in importance as provider of jobs for Singapore residents. Between 2000 and 2005, there was an expansion in the employment shares of the wholesale and retail trade, business services, and community, social and personal services industries (Chart 2).

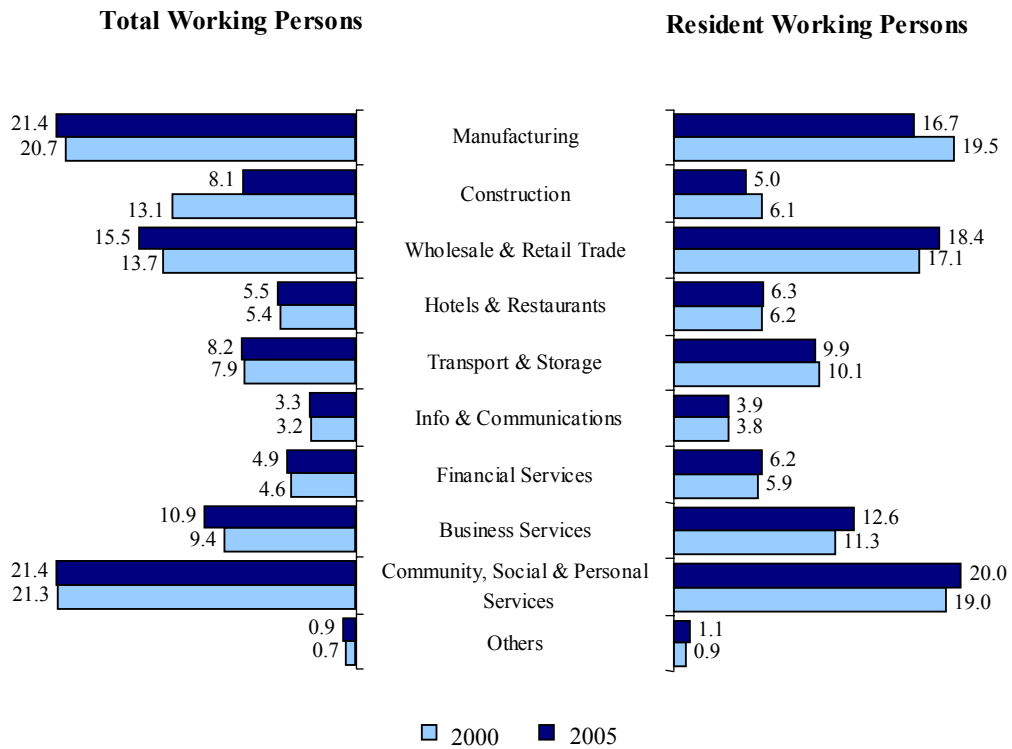
Community, social and personal services, and wholesale and retail trade overtook manufacturing as the largest employers of resident working persons, increasing their employment shares to 20 per cent and 18 per cent respectively in 2005. The employment share of manufacturing among working residents declined to 17 per cent in 2005 from 20 per cent in 2000.

Among total working persons in 2005, the largest employers were manufacturing (21 per cent) and community, social and personal services (21 per cent). Compared with 2000, there was an increased concentration of non-resident workers in manufacturing.

The proportion of total working persons in construction declined from 13 per cent in 2000 to 8.1 per cent in 2005. This reflects the downturn in the construction sector in recent years.

Chart 2 Working Persons Aged 15 Years and Over by Industry

Per Cent



Proportionately More Young Residents in Information and Communications, and Financial Services

In 2005, 16 per cent of resident working persons aged 25-34 years were in the information and communications, and financial services (Table 5). In comparison, 6.8 per cent of residents aged 45-54 years and 4.3 per cent of those aged 55 years and over were in these industries.

There were proportionately more older residents employed in the hotels and restaurants industries as well as the transport and storage industries. In 2005, the proportion in these industries was 11 per cent among residents aged 25-34 years and more than 20 per cent among those aged 45 years and over.

Table 5 Resident Working Persons by Industry and Age Group, 2005

	Per Cent			
	25-34 years	35-44 years	45-54 years	55 years and Over
Total	100.0	100.0	100.0	100.0
Manufacturing	17.4	19.8	16.9	12.6
Construction	3.5	6.3	6.3	4.8
Wholesale & Retail Trade	17.9	19.7	18.4	18.8
Hotels & Restaurants	3.5	5.2	8.2	11.7
Transport & Storage	7.3	9.1	13.6	13.5
Information & Communications	6.8	3.9	2.1	1.0
Financial Services	8.7	6.5	4.7	3.3
Business Services	13.5	12.3	11.7	14.8
Community, Social and Personal Services	20.5	16.3	16.8	17.6
Others	0.8	1.0	1.4	1.9

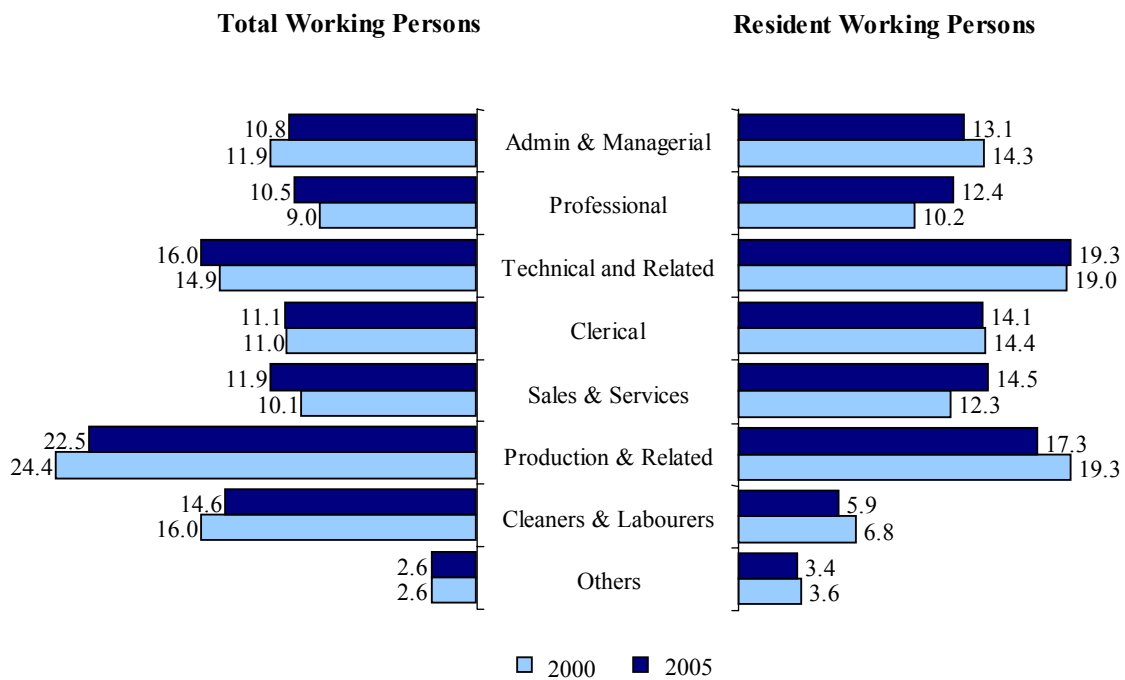
Increased Proportion in Higher-Skilled Jobs

With economic restructuring and the improvement in educational attainment of the population, there were proportionately more Singapore residents in higher skilled occupational groups. In 2005, professionals and technical workers comprised 32 per cent of the resident workforce, up from 29 per cent in 2000 (Chart 3).

Reflecting the concentration of non-resident workers in lower-skilled jobs, 37 per cent of the total workforce were either employed in production or related jobs or working as cleaners or labourers. In contrast, only 23 per cent of the resident working persons were in these jobs.

Chart 3 Working Persons Aged 15 Years and Over by Occupation

Per Cent

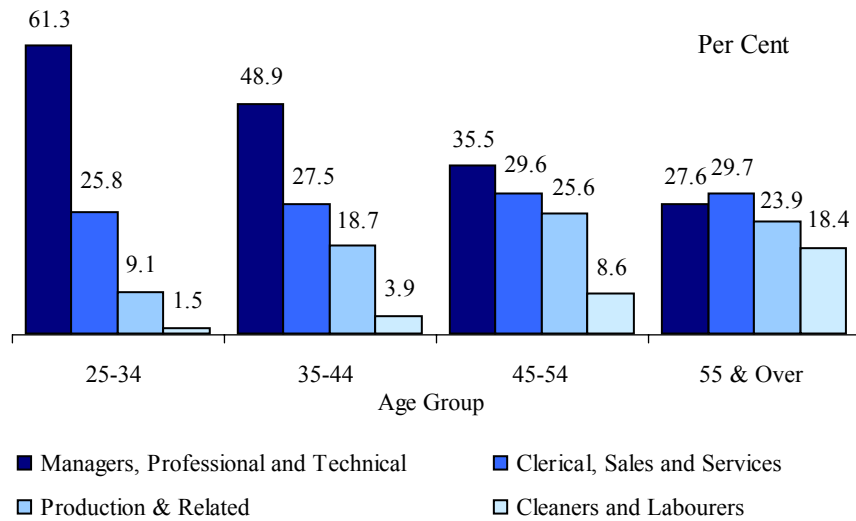


Proportionately More Young Residents in Higher-Skilled Jobs

As younger residents tend to be better educated, they are more likely to be employed in higher skilled jobs than older residents. In 2005, 61 per cent of resident working persons aged 25-34 years were in managerial, professional and technical jobs (Chart 4). The proportions in such jobs were 36 per cent among those aged 45-54 years and 28 per cent among those aged 55 years and over.

Correspondingly, the proportion of Singapore residents either employed in production or related jobs or working as cleaners or labourers was lower for the younger age groups. Among resident working persons aged 25-34 years in 2005, 9.1 per cent were employed in production or related jobs and only 1.5 per cent were working as cleaners or labourers. The proportions were higher among the older age groups.

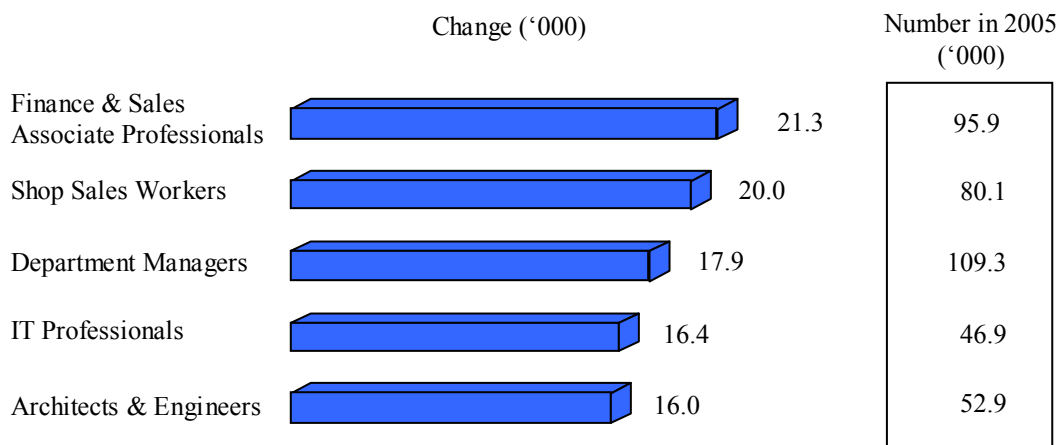
Chart 4 Resident Working Persons by Age Group and Occupation, 2005



Occupations with Largest Employment Gains

Of the top five occupational groups that had the largest employment gains among Singapore residents between 2000 and 2005, four were from the higher skilled managerial, professional and technical occupational groups (Chart 5). These include the finance and sales associate professionals, department managers, information technology (IT) professionals, and architects and engineers.

Chart 5 Occupations with Largest Increase in Number of Resident Working Persons Between 2000 and 2005



Longer Work Hours

Singapore residents worked longer hours in 2005 than five years ago. The proportion of resident working persons who worked 60 hours or more per week increased from 17 per cent in 2000 to 19 per cent in 2005 (Table 6).

Males tend to work longer hours than females. While 24 per cent of males worked 60 or more hours per week in 2005, a lower 12 per cent of females did so.

**Table 6 Resident Working Persons Aged 15 Years and Over
by Weekly Number of Hours Worked and Sex**

Hours Worked Per Week	Per Cent					
	Total		Males		Females	
	2000	2005	2000	2005	2000	2005
Total	100.0	100.0	100.0	100.0	100.0	100.0
Below 30	4.4	4.7	3.1	3.3	6.2	6.6
30-39	4.0	4.3	3.2	3.3	5.2	5.7
40-49	59.5	55.1	54.4	50.7	66.8	61.1
50-59	15.6	17.0	17.6	18.5	12.7	14.9
60 & Over	16.5	18.9	21.7	24.2	9.1	11.8
Average Number of Hours Worked Per Week	47.9	48.4	50.0	50.6	44.9	45.5

Note: Exclude national servicemen.

Prevalence of Long Work Hours among Sales and Services Workers

Long hours were more common among sales and services workers, with 31 per cent clocking 60 hours or more per week in 2005 (Table 7). Managers also had the tendency to work long hours, with 29 per cent putting in 60 hours or more per week. The proportion working 60 hours or more per week was also relatively high among those in production and related jobs (24 per cent).

Long work week was common among residents working in hotels and restaurants, with 33 per cent working 60 hours or more per week in 2005. Workers in the transport and storage industry as well as the construction industry also tended to have long hours of work.

Singapore residents who operate their own business are more likely to work longer hours than salaried workers. In 2005, 40 per cent of employers and 38 per cent of own account workers (i.e. persons who operated their own business without employing any paid workers) worked 60 hours or more per week. Among employees, the corresponding proportion was a lower 16 per cent.

**Table 7 Proportion of Resident Working Persons Aged 15 Years and Over
Working 60 Hours or More Per Week, 2005**

Occupation	Per Cent	Industry	Per Cent	Occupational Status	Per Cent
Admin & Managerial	28.8	Manufacturing	15.0	Employees	15.6
Professional	16.4	Construction	24.3	Employers	40.4
Technical & Related	11.1	Wholesale & Retail Trade	19.5	Own Account Workers	37.6
Clerical	6.4	Hotels & Restaurants	32.6	Contributing Family Workers	31.8
Sales & Services	31.4	Transport & Storage	27.3		
Production & Related	24.3	Info & Communications	12.3		
Cleaners & Labourers	10.5	Financial Services	13.9		
		Business Services	19.4		
		Community, Social and Personal Services	14.1		
		Others	12.7		

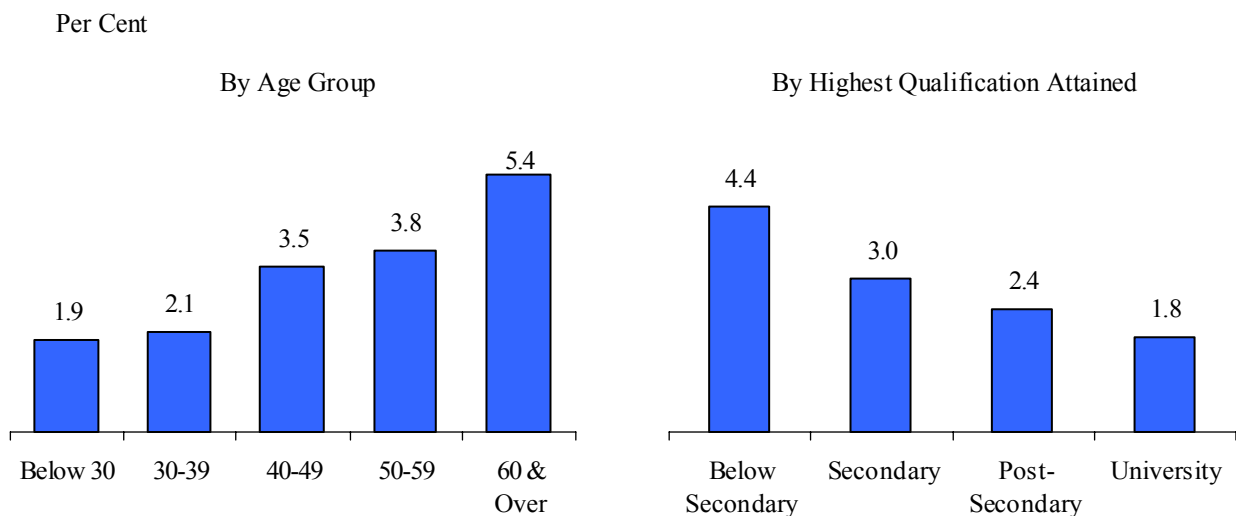
Note: Exclude national servicemen.

Small Proportion of Workers with Short Work Hours

The proportion of resident working persons who worked less than 30 hours a week was 4.7 per cent in 2005. This was relatively unchanged from 2000.

Of those who worked less than 30 hours a week, 63 per cent were willing and available to work longer hours. This group of resident working persons with short work hours but willing and available to work longer hours comprised 2.9 per cent of resident working persons. Resident working persons who were older and less educated had the highest proportion on short work-week and who were willing and able to extend their working hours (Chart 6).

Chart 6 Proportion of Resident Working Persons Who Worked Less Than 30 Hours A Week and Willing and Available to Work Longer Hours, 2005



Note: Exclude national servicemen.

Unemployment

Decline in Unemployment Rate

The unemployment situation eased in 2005 with the improvement of the Singapore economy. The unemployment rate among Singapore residents was 5.6 per cent in the reference month of June 2005, down from the corresponding 5.8 per cent in 2004 and 6.0 per cent in 2000 (Table 8). The number of unemployed Singapore residents also declined - from 101,000 in 2004 to 98,000 in 2005.

Table 8 Unemployment Trends

	2000	2001	2002	2003	2004	2005
Total Population						
Unemployment Rate (%)	4.4	2.7	4.2	4.5	4.4	4.2
Number Unemployed ('000)	97.5	63.2	97.4	104.2	103.8	100.5
Resident Population						
Unemployment Rate (%)	6.0	3.8	5.6	5.9	5.8	5.6
Number Unemployed ('000)	94.0	61.9	94.2	101.0	101.3	97.5

Note: Data in Tables 8 – 13 and Chart 7 refer to non-seasonally adjusted data for the reference month June.

Decline in Unemployment Rate among Better-Educated

Education plays an important role in ensuring greater employability. Unemployment rates for those with polytechnic or university qualifications declined in 2005 compared with 2004 (Table 9). However, less-educated residents appeared to have increasingly more difficulties in securing employment. The unemployment rate of residents with below secondary qualification increased to reach 7.7 per cent in 2005.

Table 9 Resident Unemployment Rate by Highest Qualification Attained

	Per Cent			
	2000	2003	2004	2005
Below Secondary	8.7	7.0	6.6	7.7
Secondary	5.7	5.8	6.0	6.0
Upper Secondary	4.2	4.8	5.3	5.0
Polytechnic	4.0	5.4	5.6	4.2
University	4.0	5.5	5.0	3.8

.... and Younger Residents

The unemployment situation for younger residents eased in 2005, with lower rates than 2004 (Table 10). However, for older residents aged 55 and over, the unemployment rate continued to rise.

The unemployment rates for the younger age groups were higher than the older age groups in 2005. This was mainly because many of the younger persons were new entrants to the labour market. Moreover, as they were just starting out in their careers, they would tend to have greater job mobility.

Table 10 Resident Unemployment Rate by Age Group

Age Group (Years)	Per Cent			
	2000	2003	2004	2005
15-24	8.8	10.2	10.8	9.9
25-34	5.5	6.1	5.5	5.0
35-44	5.5	5.3	5.0	4.7
45-54	6.2	5.5	5.7	5.6
55 & Over	5.0	4.2	4.8	6.1

Reduced Incidence of Long-Term Unemployment

In 2005, half of the unemployed residents were out of job for 12 weeks (Table 11). The median duration of unemployment was unchanged from previous years. With the improved employment situation, the long-term unemployment rate declined from 1.7 per cent in 2004 to 1.5 per cent in 2005.

Table 11 Resident Unemployed Persons by Duration of Unemployment and Long-Term Unemployment Rate

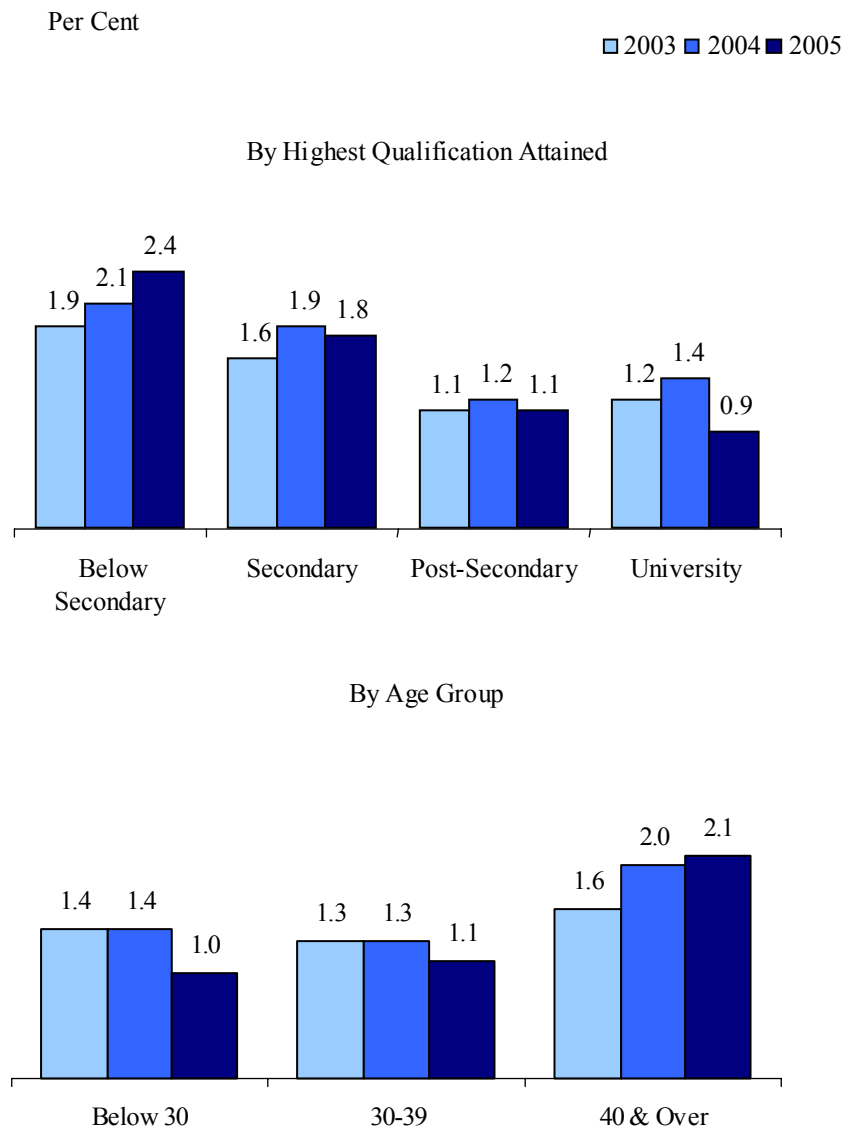
Duration of Unemployment	Per Cent		
	2003	2004	2005
Total	100.0	100.0	100.0
Less than 15 weeks	58.6	57.3	50.5
15 – 24 weeks	16.3	13.7	21.8
25 weeks or more	25.2	29.0	27.7
Median Duration of unemployment (weeks)	12	12	12
Long Term Unemployment Rate (%)¹	1.5	1.7	1.5

¹ Refers to unemployment for 25 weeks or more.

Fewer Better-Educated and Younger Persons Unemployed for Long Periods

Compared with 2004, the long-term unemployment rate in 2005 declined for residents with secondary or higher qualifications and those below 40 years old (Chart 7). For residents with below secondary qualifications and the older ones aged 40 and over, the rate increased.

Chart 7 Resident Long Term Unemployment Rate



Unemployed by Previous Occupation

In 2005, 27 per cent of unemployed residents who had work experience previously held managerial, professional and technical jobs (Table 12). This was disproportionately low compared with the 45 per cent of resident working persons in such jobs.

There was a disproportionately large share of clerical workers, sales and services workers, production workers and cleaners and labourers among the unemployed residents with work experience, as compared to the proportion of resident working persons who were in such occupations in 2005.

Table 12 Occupational Profile, 2005

Previous Occupation	Resident Unemployed Persons*	Current Occupation	Per Cent
			Resident Working Persons
Total	100.0	Total	100.0
Admin & Managerial	6.7	Admin & Managerial	13.1
Professional	5.9	Professional	12.4
Technical & Related	14.7	Technical & Related	19.3
Clerical	20.0	Clerical	14.1
Sales & Services	20.0	Sales & Services	14.5
Production & Related	20.9	Production & Related	17.3
Cleaners & Labourers	10.2	Cleaners & Labourers	5.9
Others	1.5	Others	3.4

*Refer to those with working experience only.

Unemployed by Previous Industry

Certain industries accounted for a disproportionately large share of unemployed residents who had work experience. In 2005, persons previously working in wholesale and retail trade, hotels and restaurants, manufacturing and construction sectors accounted for a larger share of unemployed residents in 2005 than the corresponding shares among resident working persons (Table 13).

Table 13 Industry Profile, 2005

Previous Industry	Resident Unemployed Persons*	Current Industry	Per Cent
			Resident Working Persons
Total	100.0	Total	100.0
Manufacturing	18.0	Manufacturing	16.7
Construction	6.0	Construction	5.0
Wholesale & Retail Trade	20.1	Wholesale & Retail Trade	18.4
Hotels & Restaurants	10.5	Hotels & Restaurants	6.3
Transport & Storage	8.1	Transport & Storage	9.9
Info & Communications	3.5	Info & Communications	3.9
Financial Services	5.4	Financial Services	6.2
Business Services	12.7	Business Services	12.6
Community, Social and Personal Services	13.9	Community, Social and Personal Services	20.0
Others	1.9	Others	1.1

*Refer to those with working experience only.

Economically Inactive Persons

As at June 2005, there were 1.03 million economically inactive residents aged 15 years and over. They formed 37 per cent of the Singapore resident population aged 15 years and over. Compared with 2000, the number of economically inactive residents increased by 2.2 per cent per annum.

The growth in the economically inactive resident population was due largely to the increasing number of students. Between 2000 and 2005, the proportion economically inactive rose for the age group 15 -24 years (Table 14).

Table 14 Proportion Economically Inactive Among Resident Population Aged 15 Years and Over by Age Group and Sex, 2005

Per Cent

Age Group (Years)	Total		Males		Females	
	2000	2005	2000	2005	2000	2005
Total	36.8	37.0	23.4	25.6	49.8	48.0
15-24	60.7	65.9	61.3	65.7	60.0	66.0
25-54	20.3	18.4	4.1	5.1	36.2	31.3
55-64	56.8	50.1	36.9	32.4	76.0	67.4
65 & Over	89.2	88.6	81.1	80.7	95.7	94.7

Higher Proportion Economically Inactive Among Less-Educated

The less educated tend to have higher proportion economically inactive. In 2005, 32 per cent of resident non-students aged 25-54 years with below secondary qualifications were economically inactive (Table 15). In comparison, only 8 - 10 per cent of their counterparts with post-secondary or higher qualifications were economically inactive. The better educated residents aged 55-64 were also less likely to be economically inactive than the less educated.

Table 15 Proportion Economically Inactive Among Resident Non-Student Population by Highest Qualification Attained, Selected Age Group and Sex, 2005

Per Cent

	25-54 years			55-64 years		
	Total	Males	Females	Total	Males	Females
Below Secondary	32.1	9.1	51.6	56.6	35.3	73.5
Secondary	18.6	4.0	30.9	40.9	28.3	54.8
Post-Secondary	10.2	2.4	18.3	37.6	29.6	50.1
University	7.6	1.4	14.9	31.5	25.7	46.1