Retrenchment & Re-Entry Into Employment (Annual)

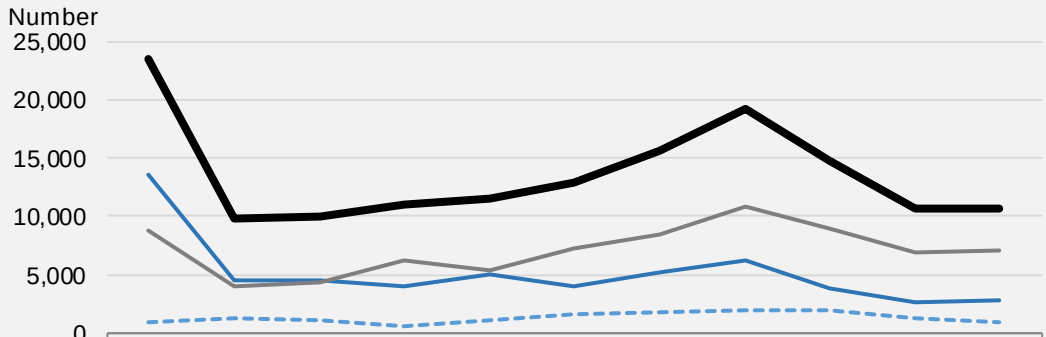
Retrenchments

Despite economic headwinds, the number of retrenchments remained low in 2019 (10,690), and at a similar level as 2018 (10,730). Fewer private sector establishments carried out retrenchments in 2019 (1,189) compared to 2018 (1,239).

Bulk of retrenchments took place in Services

Services continued to account for most retrenchments (66%) in 2019, mainly in Wholesale Trade (17%), Professional Services[1] and Financial Services (both at 11%). These were industries where re-organisation and restructuring were occurring. The remaining retrenchments were in Manufacturing (26%)[2] and Construction (8%).

Chart 1: Retrenchments By Broad Industries



	2009	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19
Total	23,430	9,800	9,990	11,010	11,560	12,930	15,580	19,170	14,720	10,730	10,690
Manufacturing	13,640	4,490	4,460	4,050	5,000	3,970	5,210	6,280	3,790	2,570	2,790
Construction	980	1,350	1,050	650	1,120	1,690	1,780	1,920	2,020	1,200	860
Services	8,720	3,960	4,430	6,300	5,430	7,260	8,510	10,880	8,900	6,960	7,000

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

Notes:
(1) Data pertain to private sector establishments (each with at least 25 employees) and the public sector.
(2) Data are rounded to the nearest 10. Hence, they may not add up due to rounding.

[1] Mainly Legal, Accounting and Management Services.
[2] Mainly Electronics and Fabricated Metal Products & Machinery.

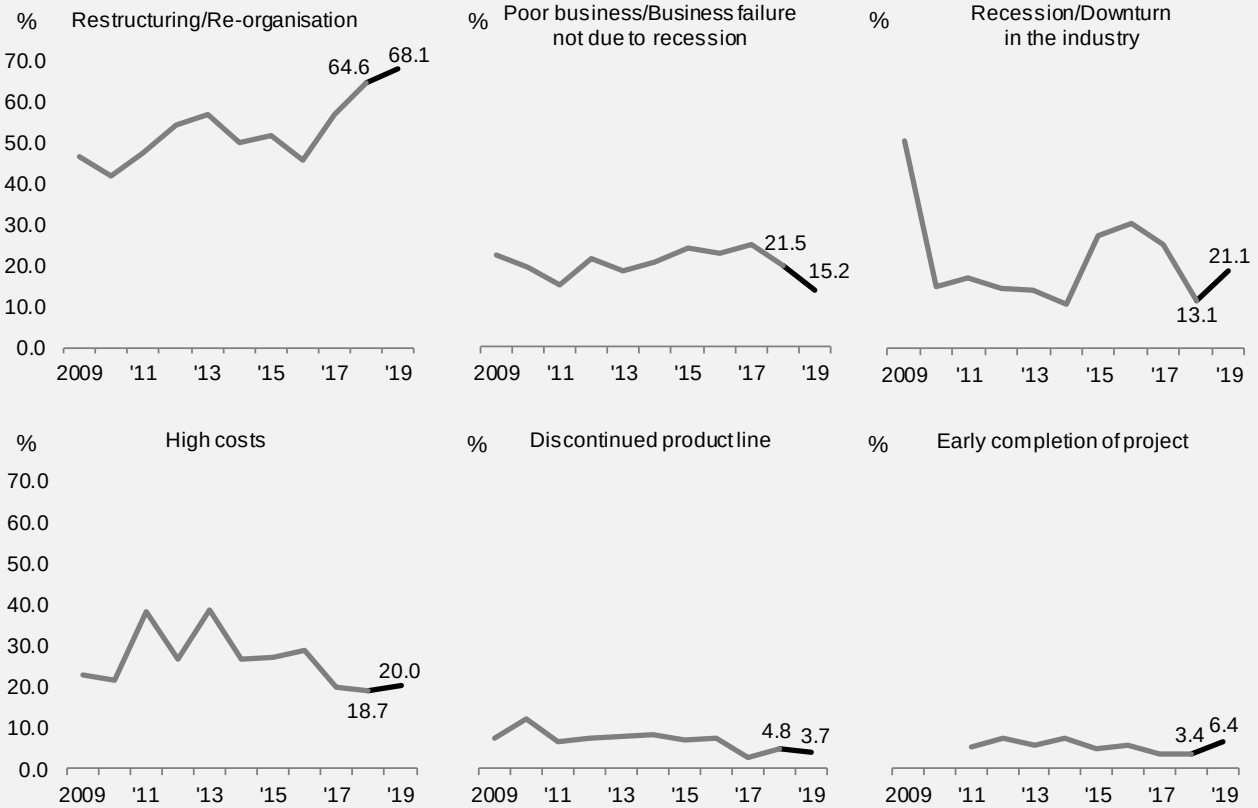
Business restructuring and re-organisation remained the top reason cited by firms for retrenchments

Retrenchments commonly take place due to restructuring and re-organisation. The number of retrenchments as a result of restructuring and reorganisation rose steadily, from 46% in 2016 to 68% in 2019, as businesses transform due to changing environments.

Retrenchments due to sectoral downturn rose in 2019. They occurred mostly in the Electronics sector, which posted output declines.[3]

The share of retrenchments due to other reasons such as poor business, high costs, discontinued product line and early completion of project declined or remained stable.

Chart 2: Retrenched Employees By Reasons For Retrenchment



Source: Labour Market Survey, Manpower Research & 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) Data on reasons for retrenchment are available from 2009. Data on early completion of project are available from 2011.

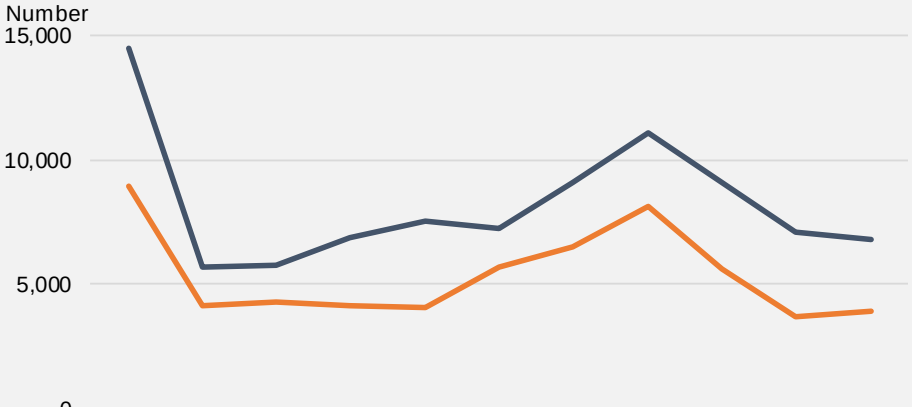
[3] Source: Economic Survey of Singapore 2019, MTI.

Local share of retrenchments fell

The number of local retrenchments fell in 2019 (6,790) compared to 2018 (7,070), while the number of foreign retrenchments rose (from 3,660 to 3,890). The local share of retrenchments declined slightly from 66% in 2018 to 64% in 2019.

While locals remained slightly more likely to be retrenched than foreigners (whose employment could be ended through contract expiry), their incidence of retrenchment continued to decline in 2019, while that for foreigners rose.

Chart 3: Retrenchments By Residential Status

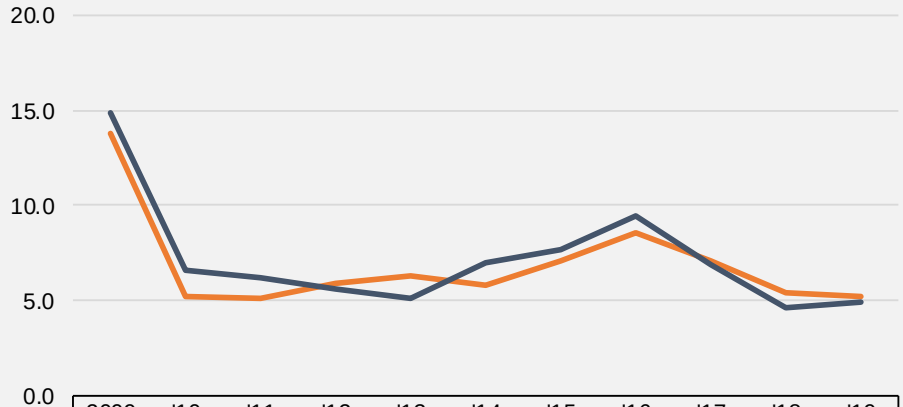


	2009	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19
Total	23,430	9,800	9,990	11,010	11,560	12,930	15,580	19,170	14,720	10,730	10,690
Local	14,510	5,670	5,740	6,880	7,520	7,240	9,090	11,080	9,120	7,070	6,790
Foreign	8,910	4,140	4,260	4,130	4,050	5,690	6,490	8,090	5,610	3,660	3,890

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

Notes:
(1) Data pertain to private sector establishments (each with at least 25 employees) and the public sector.
(2) Data are rounded to the nearest 10. Hence, they may not add up due to rounding.

Chart 4: Incidence Of Retrenchment By Residential Status



	2009	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19
Total	14.2	5.7	5.5	5.8	5.8	6.3	7.4	8.9	7.0	5.1	5.1
Local	13.8	5.2	5.1	5.9	6.3	5.8	7.1	8.6	7.1	5.4	5.2
Foreign	14.9	6.6	6.2	5.6	5.1	7.0	7.7	9.5	6.9	4.6	4.9

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

Note: Data pertain to private sector establishments (each with at least 25 employees) and the public sector.

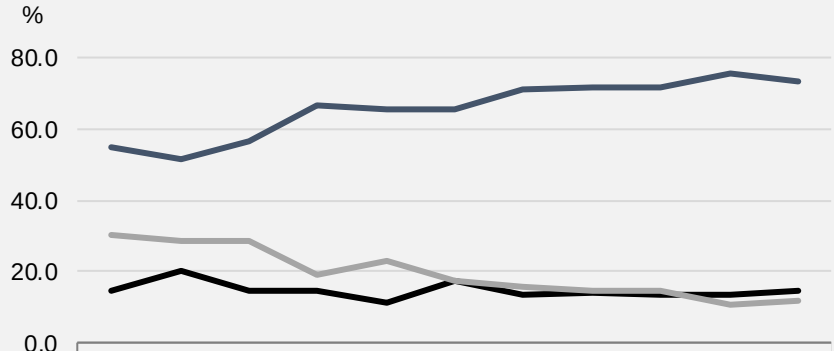
Profile Of Retrenched Locals

Likelihood of retrenchment among PMETs had declined

PMETs formed the majority of local retrenchments because their share in the workforce had risen, and most retrenchments occurred in PMET dominated sectors e.g. Professional Services and Financial Services.

However, PMETs are now less likely to be retrenched than previous cohorts. Their incidence of retrenchment had declined steadily since 2016 to 6.1 local PMETs retrenched per 1,000 local PMET employees in 2019. Clerical, sales & service workers (3.5 workers per 1,000 employees) and production & related workers (3.9 workers per 1,000 employees) had a relatively lower incidence of retrenchment, though this had risen slightly compared to 2018.

Chart 5: Share Of Local Retrenchments By Occupation

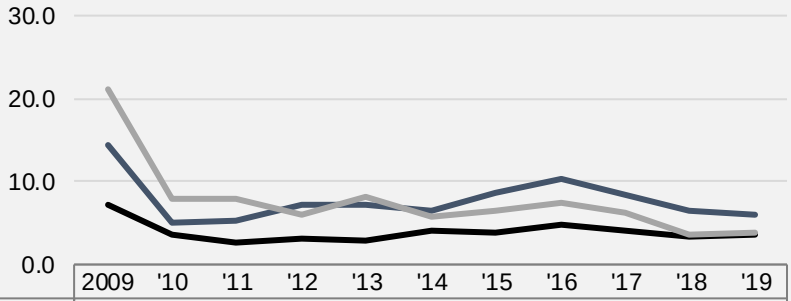


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PMETs	55.1	51.4	56.8	66.5	65.7	65.6	71.1	71.8	72.0	75.8	73.6
Clerical, sales & service workers	14.8	20.2	14.5	14.4	11.2	17.3	13.4	13.8	13.4	13.7	14.8
Production & related workers	30.2	28.5	28.7	19.1	23.0	17.1	15.5	14.4	14.6	10.6	11.6

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

Note:
Data pertain to private sector establishments (each with at least 25 employees) and the public sector.

Chart 6: Incidence Of Local Retrenchments By Occupation



	2009	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19
Total	13.8	5.2	5.1	5.9	6.3	5.8	7.1	8.6	7.1	5.4	5.2
PMETs	14.4	5.0	5.3	7.1	7.1	6.6	8.6	10.3	8.5	6.6	6.1
Clerical, sales & service workers	7.3	3.7	2.7	3.2	2.9	4.1	3.9	4.9	4.0	3.3	3.5
Production & related workers	21.1	7.9	7.9	6.0	8.1	5.8	6.5	7.5	6.3	3.6	3.9

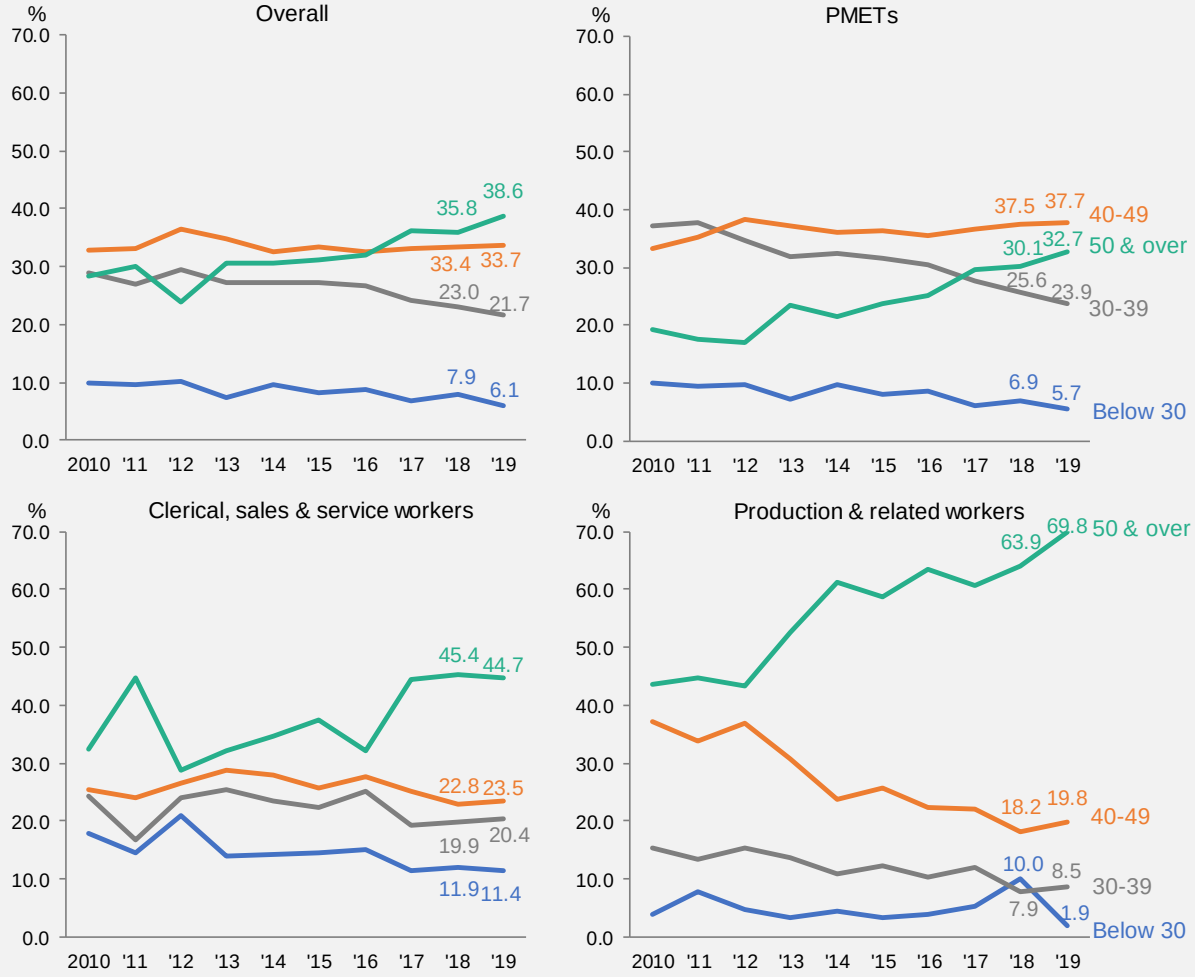
Source: Labour Market Survey, Manpower Research & Statistics Department, MOM

Note:
Data pertain to private sector establishments (each with at least 25 employees) and the public sector.

Older workers continued to form a higher share of local retrenchments

Older workers aged 40 & over continued to form the majority of local retrenchments. Within this group, there had been a steady increase in the proportion of those aged 50 & over, notably among PMETs and production & related workers. This mirrored the workforce composition.

Chart 7: Share Of Local Retrenchments By Occupation And Age



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

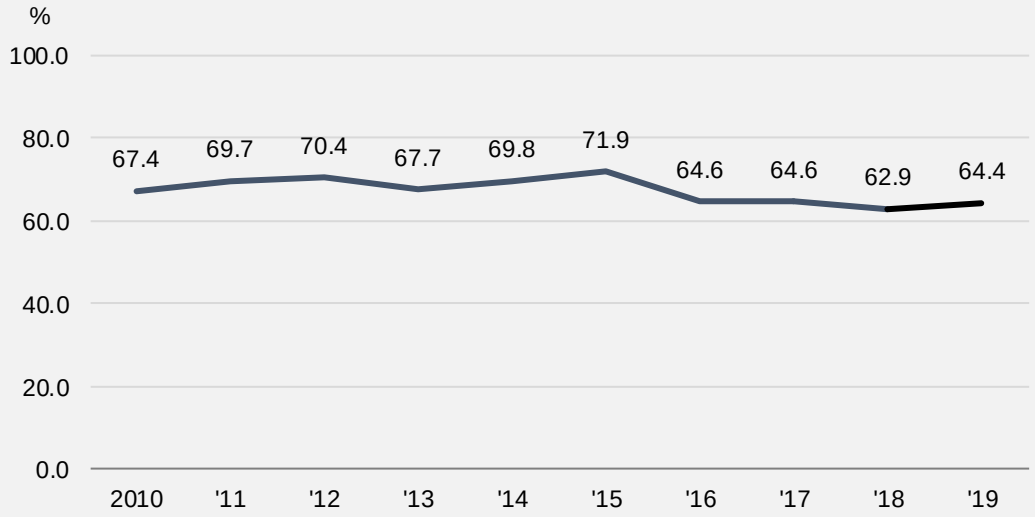
Note:
Data pertain to private sector establishments (each with at least 25 employees) and the public sector.

Re-entry Into Employment

Re-entry rate inched up and remained within range of recent years

The six-month re-entry rate among retrenched residents inched up, from 63% in 2018 to 64% in 2019.[4] It remained within the range seen in recent years. Re-entry rates were relatively lower for residents aged 50 & over, PMETs and degree holders. The latter two groups spend more time looking for jobs that match their job and salary expectations. When tracked over a longer period (more than 6 months), the re-entry rates for these groups improved, though they still remained slightly below average.

Chart 8: Rate Of Re-Entry Into Employment Of Retrenched Residents
(6 Months Post-Retrenchment)



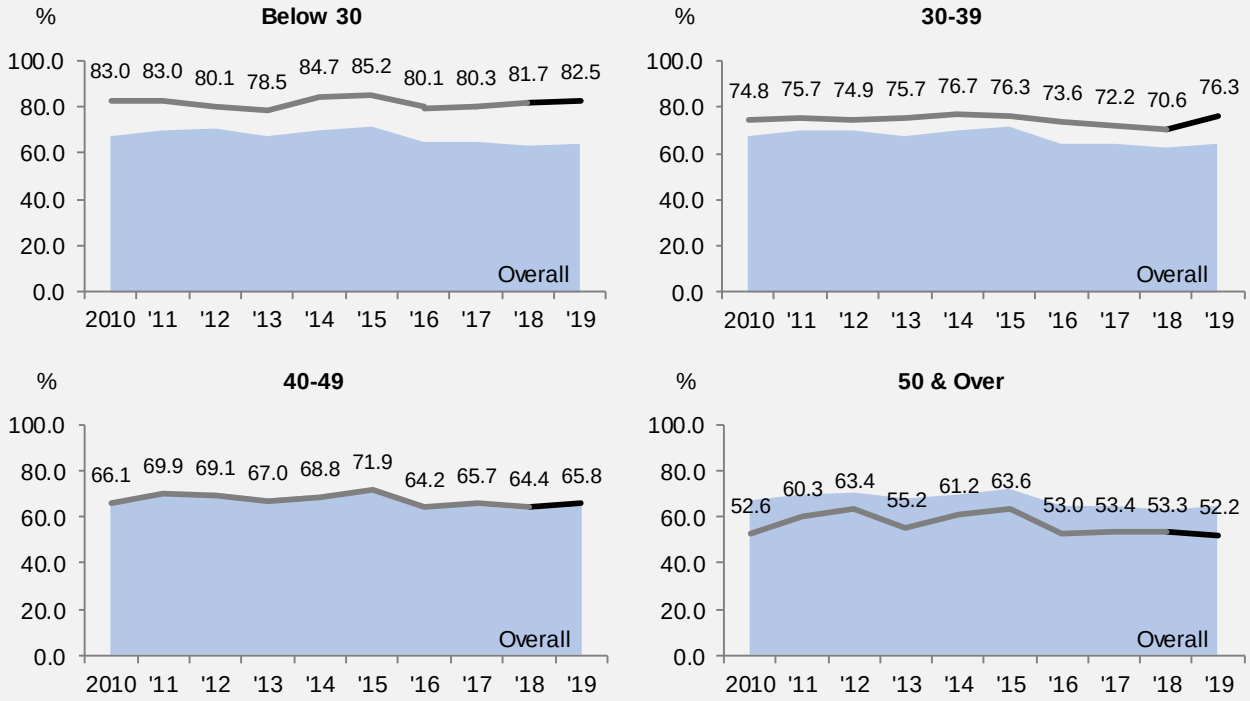
Source: Labour Market Survey, Manpower Research & Statistics Department, MOM and derived based on data from Administrative Records

Notes:
(1) The annual rates refer to retrenched residents who re-enter employment by the year, given 6 months post-retrenchment.
(2) Data pertain to residents retrenched by private sector establishments (each with at least 25 employees) and the public sector.

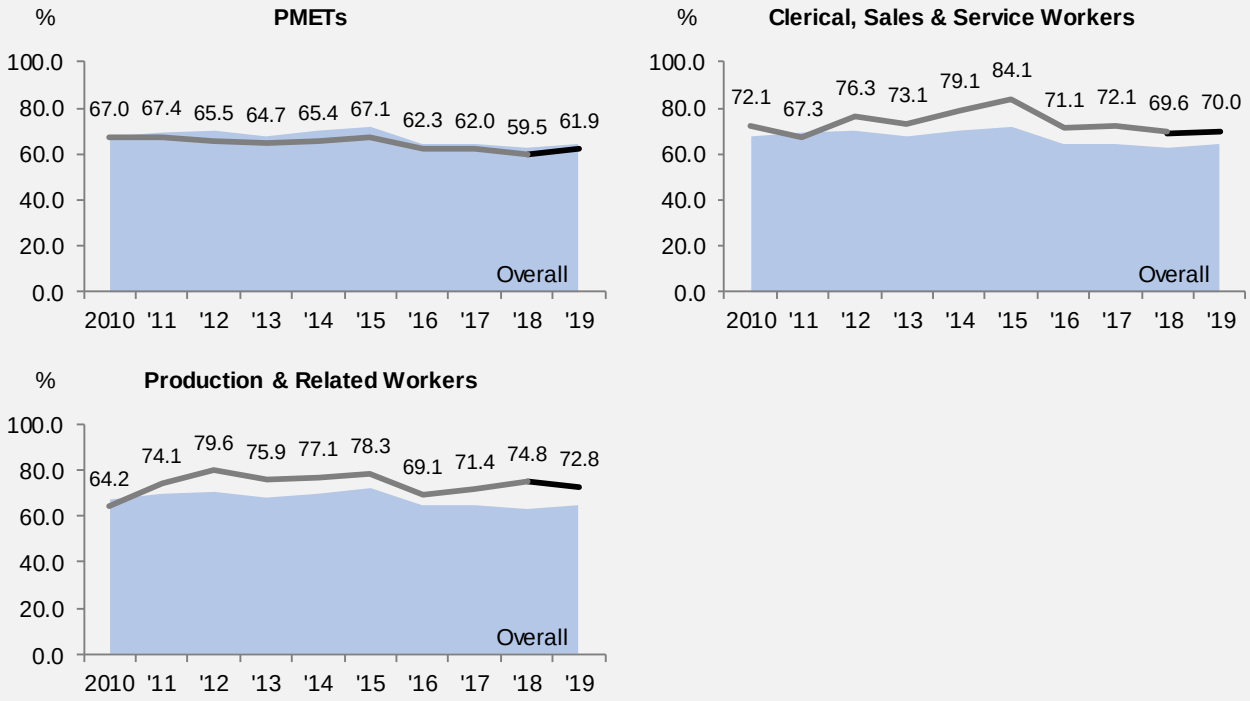
[4] The 2019 re-entry rate pertains to residents retrenched from 3Q 2018 to 2Q 2019, who re-entered employment by the end of 2019, given 6 months post-retrenchment.

Chart 9: Rate Of Re-Entry Into Employment Of Retrenched Residents
(6 Months Post-Retrenchment)

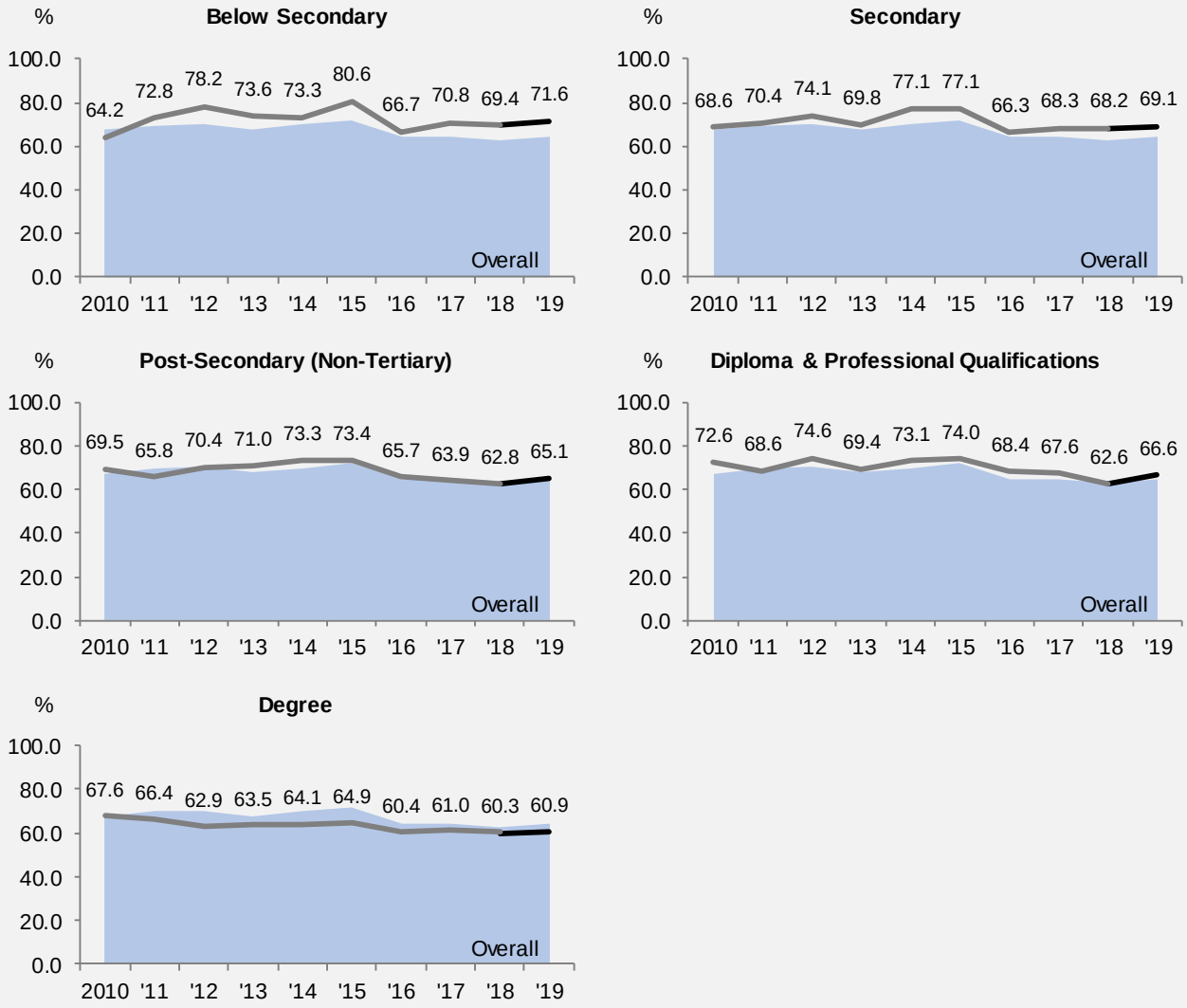
Age Group



Occupational Group



Educational Group



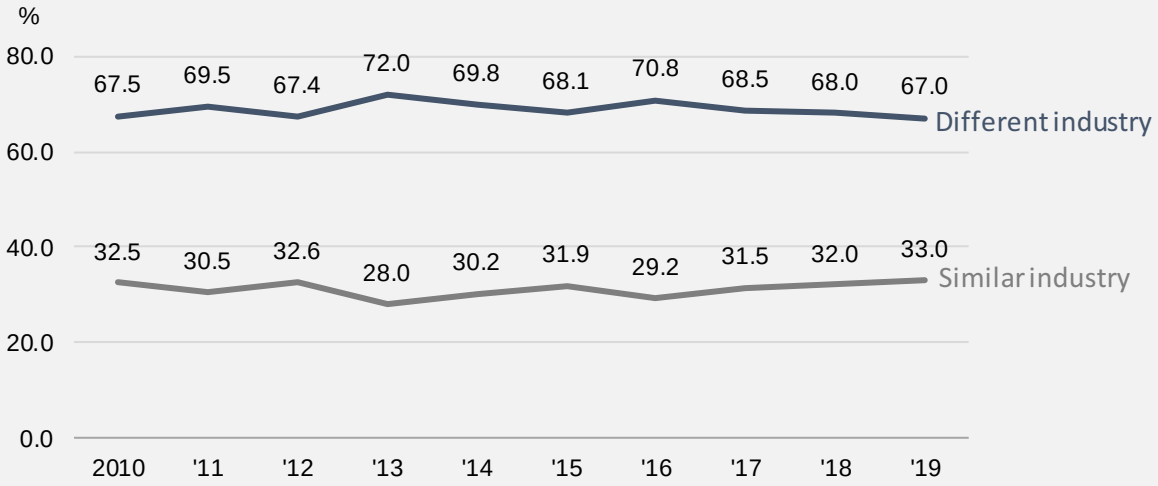
Source: Labour Market Survey, Manpower Research & Statistics Department, MOM and derived based on data from Administrative Records

Notes:
(1) The annual rates refer to retrenched residents who re-enter employment by the year, given 6 months post-retrenchment.
(2) Data pertain to residents retrenched by private sector establishments (each with at least 25 employees) and the public sector.

Majority of those who re-entered switched industry

The majority (67%) of residents who re-entered employment joined a different industry in 2019. Residents who were retrenched from Construction and Retail Trade were more likely to re-enter into a similar industry.

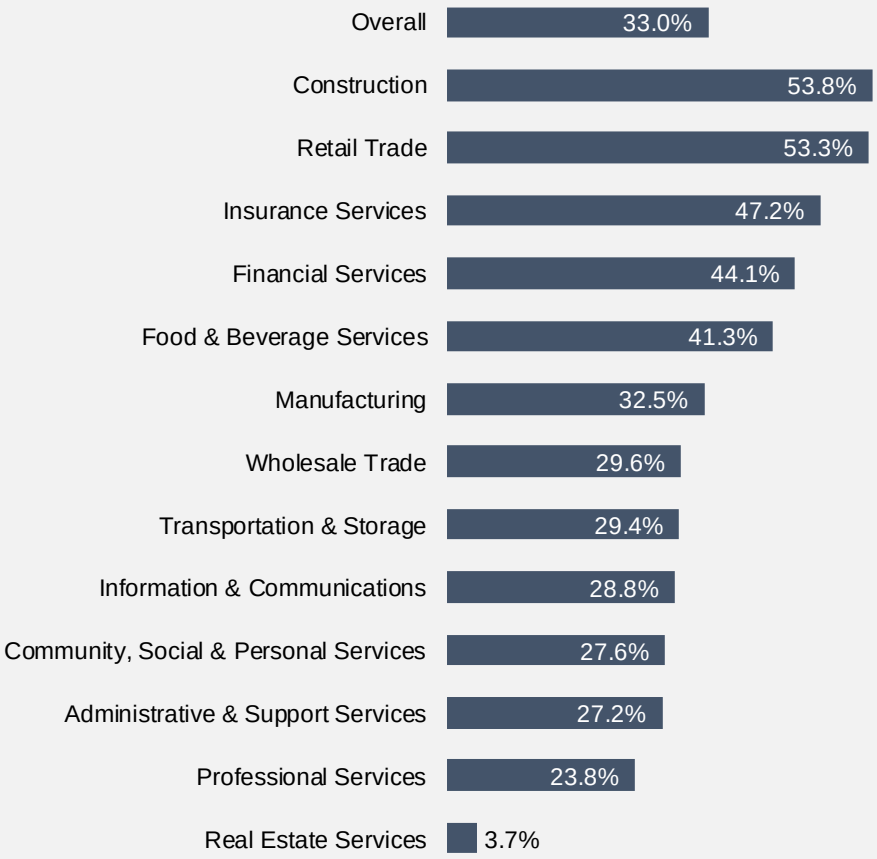
Chart 10: Share Of Retrenched Residents Who Re-Entered Employment By Similar Or Different Industry (6 Months Post-Retrenchment)



Source: Labour Market Survey, Manpower Research & Statistics Department, MOM and derived based on data from Administrative Records

Notes:
(1) The annual rates refer to retrenched residents who re-enter employment by the year, given 6 months post-retrenchment.
(2) Data pertain to residents retrenched by private sector establishments (each with at least 25 employees) and the public sector.
(3) Similar/different industry after re-entry is determined based on comparison of industry before and after retrenchment using two-digit Singapore Standard Industrial Classification (SSIC) groupings.

Chart 11: Share Of Retrenched Residents Who Re-Entered Into A Similar Industry By Previous Industry
(6 Months Post-Retrenchment)



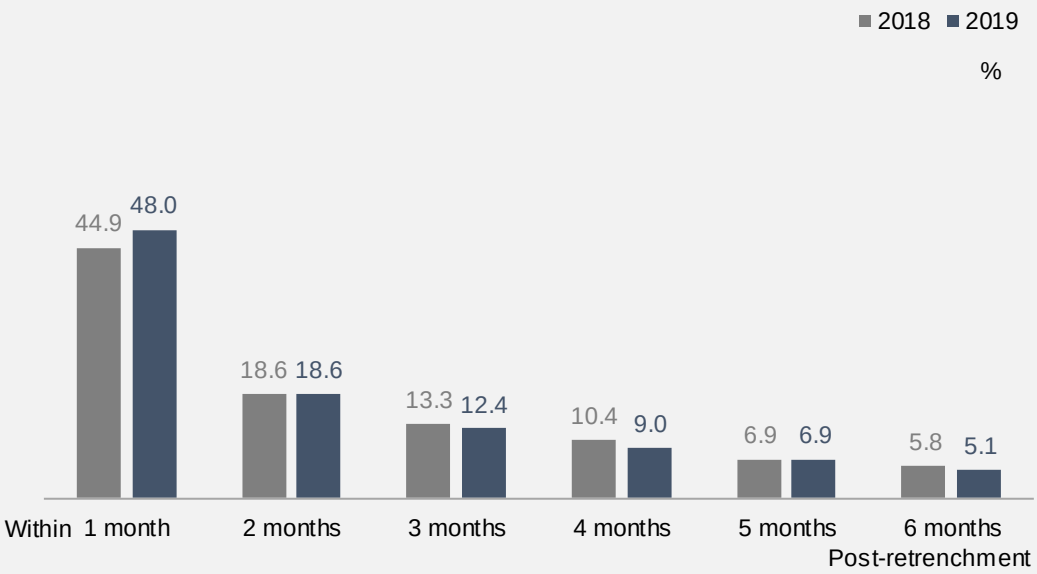
Source: Labour Market Survey, Manpower Research & Statistics Department, MOM and derived based on data from Administrative Records

Notes:
(1) Data for Accommodation are suppressed due to small numbers.
(2) Data pertain to residents retrenched by private sector establishments (each with at least 25 employees) and the public sector.
(3) Similar industry after re-entry is determined based on comparison of industry before and after retrenchment using two-digit Singapore Standard Industrial Classification (SSIC) groupings.

Nearly half of residents who re-entered employment did so within a month

In 2019, among those who re-entered employment, 48% did so within the first month. This was higher than in 2018 (45%). While the majority of retrenched PMETs and degree holders re-entered employment within the first month, they were less likely to do so compared to other occupation and education groups.

Chart 12: Share Of Retrenched Residents Who Re-Entered Employment By Time Taken (6 Months Post-Retrenchment)



Source: Labour Market Survey, Manpower Research & Statistics Department, MOM and derived based on data from Administrative Records

Notes:
(1) Data pertain to retrenched residents who re-enter employment by the year, given 6 months post-retrenchment.
(2) Data pertain to residents retrenched by private sector establishments (each with at least 25 employees) and the public sector.

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